

20 May 2020

HIGHLAND GOLD MINING LIMITED (the "Company")

'High level' summary of the new articles of association proposed to be adopted by the Company (the "**articles**").

All capitalised terms are as defined in the articles unless otherwise expressly stated.

Article 1 (Interpretation)

Definitions and interpretation provisions.

Article 2 (Amendment to articles)

Provision clarifying that the Company may change its articles by special resolution.

Article 3 (Authorised share capital)

Provisions clarifying where share capital is specified

Article 4 (Register of holders)

Provisions making explicit that a register of shareholders must be kept in Jersey with no counterpart or branch of such register maintained outside of Jersey, that no such register maintained outside or Jersey shall constitute the register or any part of the register of the Company and that the Company is not bound to recognise any interest or right of any such share contained in such register if not maintained in Jersey.

Provisions clarifying that the directors shall prepare or cause to be prepared an annual return as required by law.

Article 5 (Rights attached to shares)

Provisions concerning the issue of shares by the Company with such rights or restrictions as the Company may from time to time determine by special resolution (reflects article 2 of the Company's existing articles).

Article 6 (Unissued Shares)

Provisions concerning what the directors are able to do with unissued shares.

Provisions clarifying that the board may issue fractions of shares and the rights attached to them.

Article 7 (Authority to allot shares)

Provisions which allow the directors to allot or grant options over 15% of the authorised (but unissued) share capital of the Company (from time to time)) without approval of the Company by special resolution in a general meeting, without firstly making an offer to each existing shareholder to allot shares to them on the same or more favourable terms a proportion of those shares which are as nearly as practicable equal to the proportion of their existing holdings of shares in the Company (reflects existing articles).

Provisions clarifying that shares may be issued at a discount to par.

Article 8 (Power to increase, consolidate, sub-divide and cancel shares)

Provisions concerning the circumstances in which the Company may change its share capital and consolidate or sub divide its shares.

Article 9 (Power to issue redeemable shares)

Provisions permitting the directors to issue redeemable shares (subject to the Statutes).

Article 10 (Power to purchase own shares)

Provisions permitting the Company to buy its own shares (subject to the Statutes).

Article 11 (Power to reduce capital)

Provisions concerning the ability of the Company to reduce its own capital.

Article 12 (Share Premium)

Provisions regarding the account where the share premium moneys must be held and the purposes for which it may be used.

Article 13 (Trusts not recognised)

Provisions clarifying that the Company will not recognise any person holding share or interest in the share upon a trust.

Article 14 (Uncertificated shares - general powers)

Provisions concerning the Company's powers in relating to uncertified shares.

Article 15 (Variation of rights)

Provisions concerning variation to the rights of shares where the Company has different classes of shares. And concerning general meetings for different classes of shares.

Article 16 (Right to transfer shares), Article 17 (Transfers of uncertificated shares) and Article 18 (Transfers of certificated shares)

Provisions relating to transfer of certificated and uncertificated shares and how the transfer of certified and uncertificated shares is to take place.

Provisions concerning when and how the board may refuse to register a transfer of certified or uncertificated shares.

Article 19 (Other provisions relating to transfers)

Provisions clarifying that no fee shall be charged for registering a transfer.

Additional provisions that clarify how long the transferor remains holder of a share, when the board may refuse transfer relating to one class of shares, how the board will deal with a formal rejection, when the board may suspend registration of a transfer.

Provisions concerning the maximum number of joint holders of a share.

Article 20 (Notice of refusal)

Additional provisions relating to notice of the board refusing to register a transfer.

Article 21 (Transmission on death)

Provisions concerning transmission of shares on death of a member.

Article 22 (Election of person entitled by transmission)

Provisions concerning the transmission of shares to guardians, curators and certain other persons.

Article 23 (Rights of person entitled by transmission)

Provisions clarifying the rights of persons becoming entitled to share in consequence of death, bankruptcy or any other event giving rise to a transmission by operation of law.

Article 24 (Disclosure of interests in shares)

Replacement and updating of provisions concerning the disclosure of shareholder interests.

Article 25 (Disclosures pursuant to the Disclosure Guidance and Transparency Rules)

Replacement and updating of provisions incorporating provisions to reflect the requirements of Chapter 5 of the Disclosure Guidance and Transparency Rules made by the FCA) and the obligation of shareholders to make notifications thereunder and permitting the Company to restrict voting rights, payment of dividends and transfers of shares where the requirements with regards to disclosure have not been met.

Article 26 (General)

Provisions concerning annual general meetings (physical and electronic)

Article 27 Convening of general meetings other than annual general meetings

Provisions concerning general meetings (physical and electronic) other than annual general meetings and the calling of general meetings following a requisition request.

Article 28 (Separate general meetings of holders of any class of shares)

Provisions declaring that provisions relating to general meetings in the Articles shall apply to every separate general meeting of the holders of any class of shares.

Article 29 (Length and form of notice)

Provisions in respect of notice requirements for general meetings.

Article 30 (Omission or non-receipt of notice)

Provisions that clarify an omission or non-receipt of notice will not invalidate the proceeding of the meeting.

Article 31 (Quorum)

Provisions concerning the quorum for general meetings and what happens when a quorum is not met.

Article 32 (Security)

Additional provisions relating to security arrangements for general meetings

Article 33 (Chairperson)

Additional clarifying chairperson, deputy chairperson(s) and who should chair at a general meeting if they are absent or unwilling to do so.

Article 34 (Right to attend and speak)

Provisions clarifying the rights of directors, members and other persons to attend, speak (and in the case of members) votes at general meetings.

Article 35 (Resolutions and amendments)

Provisions relating to when resolutions may be put to a meeting.

Provisions relating to amending special resolutions and ordinary resolutions which are to be voted on.

Provision relating to the chairpersons powers relating to proposed amendments to resolutions.

Provisions that allow written resolutions of members.

Article 36 (Adjournment)

Provisions relating to who can adjourn meetings, and the manner those meetings will be adjourned.

Provisions relating to the time period a meeting may be adjourned.

Provisions relating to what business can be transacted at adjourned meetings.

Article 37 (Meeting at more than one place)

Provisions relating to the procedure for holding physical general meetings at more than one place.

Provisions permitting a quorum to be performed in the same manner as if all persons were at the same meeting.

Article 38 (Electronic general meetings)

Provisions concerning attendance by electronic means at a general meeting hosted on an electronic platform

Article 38 (Method of voting and demand for poll)

Provisions concerning when a poll vote may be demanded or withdrawn.

Provisions that clarify the conclusive nature of a declaration of the chairperson on a vote where a poll was not demanded.

Article 39 (Hybrid meetings)

Provisions concerning holding of a general meeting both physically and electronically

Article 40 (Other arrangements for viewing and hearing proceedings at physical general meetings)

Provisions concerning arrangements for persons entitled to attend a physical general meeting or an adjourned physical general meeting to be able to view and hear the proceedings of the general meeting..

Article 41 (Change in place/electronic platform and/or time of meeting)

Provisions concerning change of place or electronic platform for electronic meetings and postponement of meetings.

Article 42 (Method of voting and demand for poll)

Provisions concerning voting at general meetings and demands for a poll

Article 43 (How poll is to be taken)

Provisions on how a poll is to be taken.

Article 44 (Voting rights)

Provisions concerning voting rights – voting by show of hands, on a poll, and by proxy and ability of the Company to limit vote to those persons that are entered into the register by a certain time.

Article 45 (Representation of bodies corporate)

Provisions that allow a body corporate to authorise a person or persons to vote as the body corporate representative.

Article 46 (Voting rights of joint holders)

Provisions clarifying the voting rights of joint shareholders.

Article 47 (Voting rights of members incapable of managing their affairs)

Provisions clarifying the circumstances in which an attorney, curator etc for a person in respect of whom an order concerning mental disorder has been made may vote.

Article 48 (Voting rights suspended where sums overdue)

Provisions that clarify that the board may require that all shares must be paid up before being entitled to vote.

Article 49 (Objections to admissibility of votes)

Provisions concerning objections to the admissibility of votes.

Article 50 (Proxies)

Provisions clarifying that a proxy need not be a member of the Company and a member may appoint more than one proxy in relation to different shares held by the member.

Provisions that clarify that a member may still attend the meeting even after appointing a proxy.

Provisions that clarify that the proxy is only valid for the specified meeting and any adjournment of such meeting.

Provisions that clarify a proxy is entitled to speak at a general meeting.

Article 51 (Appointment of proxy)

Provisions relating to how a proxy may be appointed.

Article 52 (Receipt of proxy)

Provisions relating to how a proxy notice must be received.

Provisions relating to the boards power to require information in respect of proxy appointments and to treat proxy appointment as valid.

Provisions clarifying that a later proxy appointment shall with limited exceptions repeal and replace a previous proxy appointment.

Article 53 (Notice of revocation of authority)

Provisions that clarify that a proxy vote carried out according to the instructions shall be valid, and clarifying where it will not be valid.

Article 54 (Number of directors)

Provisions that state the Company must always have at least 3 directors (unless otherwise determined by ordinary resolution).

Article 55 (Directors need not be members)

Provisions clarifying that a director need not be a member.

Article 56 (Election of directors by the Company)

Provisions that give the Company power to elect a director by ordinary resolution.

Article 57 (Separate resolutions for election of each director)

Provisions requiring that each director must be appointed by separate resolution.

Article 58 (The boards power to appoint directors)

Provisions concerning the ability of the board to appoint a person as a director.

Article 59 (Retirement of directors)

Provisions concerning the circumstances in which directors shall retire at annual general meetings, but be eligible to be reappointed. And when any retirement shall take effect.

Article 60 (Removal of directors)

Provisions concerning the circumstances in which directors may be removed - by an ordinary resolution, by all other directors signing and giving notice, or by notice signed by holders of more than half of issued shares. And in which the board may require a director to retire at an annual meeting but be eligible for reappointment.

Article 61 (Vacation of office of director)

Provisions concerning the circumstances in which when a director may be removed from office, including: bankruptcy, physically or mentally incapable, by reason of directors mental health, director absent for more than 6 months, the director gives the company notice of resignation.

Article 62 (Executive directors)

Provisions clarifying that the Company may appoint one or more directors to hold any executive office, the board's ability to fix their remuneration, and that a person acting as executive chairperson, chief executive or managing director shall lose such roles if they cease to be a director.

Article 63 (Power to appoint alternate directors)

Provisions allowing for a director to appoint an alternate and the ability of that alternate to vote for a director they act for and clarifying that an alternate director shall stop being an alternate director if the director that nominated them vacated office.

Article 64 (Directors' fees)

Provisions that clarify that the aggregate fees payable to the directors must not exceed US\$3,000,000 (the Company's existing articles provide for US\$1,000,000) or equivalent in any other currency. Or any such higher amount decide by ordinary resolution. Such fees to be separate to salary, remuneration to other amounts payable to a director.

Provisions clarifying that payment may be in the form of shares.

Article 65 (Special remuneration)

Provisions that allow special remuneration to be granted to a director. And that clarify the form of payment and that it will be separate from any other remuneration payable to the director.

Article 66 (Expenses)

Provisions that allow a director to be paid for any expenses incurred as part of their duties as director.

Article 67 (Pensions and other benefits)

Provisions that allow for the board to use their powers to pay, provide, arrange or procure pensions. To establish, maintain, adopt and enable participation in any profit sharing or incentive scheme and to support and subscribe to any institution or association which may be for the benefit of the Company or associated body corporate.

Article 68 (General powers of the board to manage the Company's business)

Provisions clarifying that the business of the Company shall be managed by the board.

Article 69 (Power to act notwithstanding vacancy)

Provisions that clarify that where the less than the minimum numbers of directors, the other directors may only exercise their powers in order to fill the vacancy only.

Article 70 (Power to borrow money)

Provisions which expressly provide that the directors may exercise the powers of the Company to borrow money, mortgage or charge any part of its undertakings, property and assets.

Article 71 (Delegation to individual directors)

Provisions allowing the board to confer any upon any director any of its powers, authorities and discretions.

Article 72 (Committees)

Provisions allowing directors delegate any of their powers to any committee consisting of one or more directors.

Article 73 (Powers of attorney)

Provisions which expressly provide that the board may by power of attorney or otherwise appoint any person to be the agent of the Company.

Article 74 (Directors Interest)

Provisions which require directors to disclose interests (in similar terms to existing articles).

Article 75 (Board Meetings)

Provisions clarifying that the directors may meet for meetings in Jersey or any place they deem suitable.

Article 76 (Notice of board meetings)

Provisions relating to giving notice of board meetings and allowing the directors to waive notice of meetings.

Article 77 Quorum

Provisions concerning quorum requirements and clarifying that a minimum quorum of two is required to hold a board meeting, unless otherwise fixed by the board (the Company's existing articles provide for a quorum of three, unless otherwise fixed by the board)

Article 78 (Chairperson or deputy chairperson to preside)

Provisions concerning appointment of chairperson to preside at all board meetings.

Article 79 (Competence of board meetings)

Provisions clarifying that a board meeting where a quorum is present will be able to exercise all powers vested in or exercisable by the board.

Article 80 (Voting)

Provisions clarifying that business at board meetings determined by majority votes, and in the event of a tie the chairperson gets the casting vote.

Article 81 (Telephone/electronic board meeting)

Provisions allowing for board meetings to take place by telephone or other means allowing directors to hear each other and address all the directors simultaneously.

Article 82 (Resolutions without meetings)

Provisions clarifying that a resolution signed and approved by all directors entitled to vote shall be valid. And that approval can be given in hard copy or in electronic form.

Article 83 (Validity of acts of directors in spite of formal defect)

Additional provisions to provide for decisions to still be valid if later it was found that a director was not entitled to vote.

Article 84 (Minutes)

Provisions relating to minutes having to be kept in relation all appointments of the board and all resolutions and proceedings of all meetings of the Company.

Article 85 (Secretary)

Provisions clarifying that in addition to a secretary being appointed, the board has power to appoint deputy or assistant secretaries.

Article 86 (Issue of certificates)

Provisions concerning the issuing of share certificates.

Provisions that clarify that a lost, defaced, stolen or destroyed certificate will be replaced at no charge unless there are exceptional out of pocket expense.

Article 87 (Lien on partly paid shares)

Provisions that clarify that the Company shall have a lien on every share for all amounts called or payable extending to every amount payable on the share.

Provisions that allow the board to declare any share wholly or partly exempt from such lien.

Article 88 (Enforcement of lien)

Provisions that allow the Company to sell a share subject to a lien if 14 days after the notice has been given it has not been paid.

Provisions that allow the board to authorise person to transfer the share sold the purchaser.

Provisions that clarify that the proceeds of such sale shall be applied towards any amount due and any residue transferred to the holder of the share immediately before transfer.

Article 89 (Calls)

Provisions that all the board to call upon any unpaid moneys on shares, the call may be revoked and postponed as the board decide.

Provisions that clarify that the sum may be called to be paid in whole or in instalments, that a person on whom a call is made shall remain liable for the call if the share is transferred, and clarification that joint holders shall be jointly liable.

Article 90 (Interest on calls)

Provisions that clarify that any amount due that is outstanding may be subject to interest at a rate decided by the board.

Article 91 (Sums treated as calls)

Provisions that clarify that a sum owed by terms of allotment shall be treated as a sum payable as a call.

Article 92 (Power to differentiate)

Provisions that allow the board to differentiate between allottees or holders and amounts owed as well as times of payment for the sums owed.

Article 93 (Payment of calls in advance)

Provisions that clarify that the Company may at the discretion of the board receive moneys in advance of moneys uncalled and unpaid on shares and pay interest on such moneys (not to exceed 10% per annum without the sanction of the Company in general meeting).

Article 94 (Notice of unpaid calls)

Provisions that allow the board to serve a written notice on any amounts moneys that were due to be paid together with any accrued interests. If after a further notice of another 14 day period payment is not made, the share in respect of which the call was made or instalment payable, is liable to be forfeited.

Article 95 (Forfeiture on non-compliance with notice)

Provisions that clarify that if the requirements of a notice under article 94 aren't complied with, any share in respect of which it was given may (prior to payment) be forfeited by resolution of the board, which forfeiture shall include all dividends, distributions and money payable in respect of the forfeited share not already paid.

Provisions that clarify that notice of forfeiture needs to be given to the holder of the share but the forfeiture shall not be invalidated by failure to give the notice or omission of an entry into the register of the forfeiture.

Article 96 (Power to annul forfeiture or surrender)

Provisions allowing the board to annul forfeiture or surrender before the shares in questions have been sold, re-allotted or otherwise disposed of.

Article 97 (Disposal of forfeited or surrendered shares)

Provisions clarifying that every share forfeited or surrendered will be property of the Company and as to how it may be treated by the Company.

Article 98 (Arrears to be paid notwithstanding forfeiture or surrender)

Provisions clarifying that a person who has had a share forfeited or surrendered shall cease to be a member and shall surrender any certificate in respect of the share forfeited but shall still remain liable to the Company for moneys owed in respect of the share.

Article 99 (Seal)

Provisions concerning the having and use by the Company of official seals.

Article 100 (Distributions)

Provisions clarifying that the Company may authorise and pay distributions at any time in accordance with the Statutes and which may be paid as a dividend.

Article 101 (Declaration of dividends by the Company)

Provisions concerning the declaration of dividends by the Company.

Article 102 (Fixed and interim dividends)

Provisions concerning the payment of interim dividends by the board.

Article 103 (Calculation and currency of distributions)

Provisions clarifying that distributions are to be declared, apportioned and paid, pro rata to the number of shares held and fully paid, with a proportionate adjustment to be made where a share is partly paid and allowing the Company to make withholdings or deductions if compelled to do so by law.

Provisions allowing for the board to agree to a distribution declared or due one currency, to be paid in another currency.

Article 104 (Method of payment)

Provisions clarifying the methods by which a distribution may be paid.

Article 105 (Distributions not to bear interest)

Provisions clarifying that no distribution or other moneys payable by the Company in respect of any share shall bear interest, unless otherwise provided in the rights attached to the share.

Article 106 (Calls or debts or amounts required by law may be deducted from distributions)

Provisions clarifying that the Company may make deductions from distributions in respect of moneys payable to the Company by the relevant person.

Article 107 (Unclaimed distributions etc)

Provisions concerning treatment of unclaimed distributions.

Article 108 (Uncashed distributions)

Provisions concerning treatment of uncashed distributions.

Article 109 (Distributions in specie)

Provisions clarifying that distributions in specie may be made with the authority of ordinary resolution and on the recommendation of the board.

Article 110 (Scrip dividends)

Provisions concerning the offer by the Company of shares instead of cash in respect of any dividend or other distribution.

Article 111 (Capitalisation)

Provisions concerning the circumstances in which the Company may (subject to the Statutes and any necessary sanction or authority being obtained the Company in general) apply sums in paying up unissued shares or debentures of the Company on behalf of members and distributing them as fully or partly paid up or in paying up the whole or part of any uncalled balance unpaid in respect of any issued shares or debentures.

Article 115 (Fixing of record dates)

Provisions providing that the board may fix a date as the record date by reference to which a dividend or other distribution will be declared or paid or a distribution, allotment or issue made.

Article 113 (Accounting records)

Provisions clarifying that records must be kept but no member has a right to inspect such except per any Statute, board authorisation or ordinary resolution of the Company.

Article 114 (Communications to the Company)

Provisions concerning the provision and receipt of notices in hard copy or in electronic form or by means of a website.

Article 115 (Communications by the Company)

Provisions concerning the sending of documents or information by the Company personally, by post, or by leaving it at a members registered address, electronic and website communications (if a member has agreed to receive electronic communications), the use of electronic signatures and communications to joint holders.

Provisions concerning members whose registered address is outside Jersey and the United Kingdom who have not given the Company a postal address in Jersey or the United Kingdom for service of notices and other documents, and the circumstances in which the directors may determine not to give them notice.

Article 116 (Communication by advertisement)

Provisions concerning the suspension or curtailment of postal services and the convening of a general meeting by notice advertised on the Company's website.

Article 117 (When communication is deemed received)

Provisions concerning when notices are deemed to be received.

Article 118 (Nomination of persons to enjoy information rights)

Provisions concerning the circumstances in which members who hold shares for another other person may nominate that person for information rights. And clarifying the meaning of information rights for the purposes of the article.

Article 119 (Record date for communications)

Provisions clarifying that the Company may determine that persons entitled to receive notices, documents or other information are those persons entered on the register at the close of business on a day determined by it, such date to be no more than 21 days before the day notice of meeting, document or other information is given that those entitled to receive such notice are those persons in the register.

Article 120 (Communication to person entitled by transmission)

Provisions concerning communications with persons entitled by transmission.

Article 121 (Sale of shares of untraced members)

Provisions concerning the circumstances in which the Company may sell the shares of a member or a person entitled by transmission.

Article 122 (Application of proceeds of sale)

Provisions concerning the application of sale proceeds by the Company in relation to an article 121 sale.

Article 123 (Destruction of documents)

Provisions concerning the destruction of documents by the Company.

Article 124 (Winding up)

Provisions concerning the application of the Company's available assets in a winding-up - assets to be distributed to the members, pro rata to the number of shares held by them upon the commencement of the winding-up, save if a share isn't fully paid its rights to a distribution shall be proportionate to the amount paid up on it.

Article 125 (Powers to distribute in specie)

Provisions clarifying that a liquidator may, with the authority of a special resolution or any other authority required under the Statutes, distribute the Company available assets to the members or to a trustee for the benefit of the members, in specie.

Article 126 (Directors' indemnity, insurance and defence)

Provisions concerning the indemnification of directors by the Company and the purchase by the Company of insurance for the directors.

Please note that this summary is intended to provide only a brief 'high level' summary of the articles proposed to be adopted by the Company. It is not intended to be comprehensive or complete and should not be relied upon as being so or as a substitute to the proposed articles. We would recommend that this summary is read in conjunction with a copy of the proposed articles. In the event of any inconsistency between the proposed articles and this summary, the proposed articles take precedence.

For a detailed analysis of the proposed articles, specific legal advice should be sought as appropriate.