



CLAWBACK POLICY

November 12, 2015

DYNACOR GOLD MINES INC. CLAWBACK POLICY

OVERVIEW

Dynacor Gold Mines Inc. (the “**Corporation**”) has adopted this incentive compensation clawback policy (the “**Policy**”) in order to ensure that incentive compensation is paid based on accurate financial and operating data, and the correct calculation of performance against incentive targets. In the event of a restatement of the financial or operating results of the Corporation, as described below, the Corporation may seek recovery of incentive compensation that would not otherwise have been paid if the correct Corporation performance data had been used to determine the amount payable.

The Governance, Nominating and Compensation Committee of the Board (the “**Committee**”) shall have full authority to interpret and enforce the Policy.

COVERED EMPLOYEES

The Policy applies to the Chief Executive Officer, Chief Financial Officer and other current or former executive officers of the Corporation who were officers of the Corporation at the time of the conduct relating to the restatement of the financial or operating results of the Corporation (collectively, the “**Covered Employees**”).

INCENTIVE COMPENSATION

For purposes of this Policy, “incentive compensation” means all annual incentives and long-term incentives with performance based features, including performance bonuses, stock options, deferred share units, performance shares or other stock-based awards) paid, granted, vested or accrued under any Corporation plan or agreement, in the form of cash or Corporation common stock, whether the award or size of the award was contingent on such performance.

RESTATEMENT OF FINANCIAL OR OPERATING RESULTS; CALCULATION OF OVERPAYMENT

If the Committee determines that incentive compensation of a Covered Employee was overpaid, in whole or in part, as a result of a restatement of the reported financial or operating results of the Corporation due to material non-compliance with financial reporting requirements (unless due to a change in accounting policy or applicable law), the Committee will review the incentive compensation paid or awarded based on the prior inaccurate results.

To the extent practicable, and as permitted by applicable law, the Committee will determine, in its discretion, whether to seek to recover the difference between (i) any incentive compensation paid or awarded based on the belief that the Corporation had met or exceeded performance targets that would not have been met had the data been accurate, and (ii) the incentive compensation that would have been paid or awarded to the Covered Employee had the actual payment or award been calculated based on the accurate data or restated results, as applicable (the “**Overpayment**”).

In making this determination, the Committee shall take into account such factors as it deems appropriate, including (i) whether the Covered Employee has engaged in misconduct or negligent conduct that caused or contributed to the restatement of the Corporation’s or segment’s reported financial or operating results, and (ii) the amount of the Overpayment.

FORMS OF RECOVERY

If the Committee determines to seek recovery for the Overpayment, the Corporation shall have the right to demand that the Covered Employee reimburse the Corporation for the Overpayment. To the extent the Covered Employee does not make reimbursement of the Overpayment, the Corporation shall have the right to sue for repayment, and enforce the repayment through the reduction or cancellation of outstanding and future incentive compensation. To the extent any shares have been issued under vested awards or such shares have been sold by the Covered Employee, the Corporation shall have the right to cancel any other outstanding stock-based awards with a value equivalent to the Overpayment, as determined by the Committee.

TIME PERIOD FOR OVERPAYMENT REVIEW

The Committee may make determinations of Overpayment at any time through the end of the third fiscal year following the year for which the inaccurate performance criteria were reported; provided, that if steps have been taken within such period to restate the Corporation’s financial or operating results, the time period shall be extended until such restatement is completed. For illustrative purposes only, this means that if incentive compensation is paid in early 2016 relating to performance metrics based on fiscal year 2015 performance, the compensation shall be subject to review for Overpayment until the end of the 2018 fiscal year.

APPLICABILITY

This Policy applies to all incentive compensation granted or paid after October 31, 2015, except to the extent prohibited by applicable law or any other legal obligation of the Corporation.

Application of the Policy does not preclude the Corporation from taking any other action to enforce a Covered Employee’s obligations to the Corporation, including termination of employment or institution of civil or criminal proceedings.

OTHER LAWS

The Policy is in addition to (and not in lieu of) any right of repayment, forfeiture or right of offset against any Covered Employee that is required pursuant to any applicable law or regulation (regardless of whether implemented at any time prior to or following the adoption of the Policy).

AMENDMENT; TERMINATION

The Committee may amend or terminate this Policy at any time.