



ANNUAL INFORMATION FORM

("AIF")

of

**PRETIUM RESOURCES INC.
(the "Company" or "Pretium")
1600 – 570 Granville Street
Vancouver, British Columbia
V6C 3P1**

Telephone: 604-558-1784
Facsimile: 604-558-4784
Website: www.pretium.com
E-mail: invest@pretium.com

For the Year Ended December 31, 2012

Dated: March 18, 2013

TABLE OF CONTENTS

PRELIMINARY NOTES	1
Effective Date of Information	1
Currency	1
Note Regarding Forward Looking Statements	1
Technical and Scientific Disclosure	2
National Instrument 43-101 Definitions	3
Cautionary Note to US Investors	4
CORPORATE STRUCTURE	5
Name, Address and Incorporation	5
Intercorporate Relationships	5
GENERAL DEVELOPMENT OF THE BUSINESS	5
Overview	5
Strategy and Objectives	5
Acquisition of the Combined Project Assets	5
NARRATIVE DESCRIPTION OF THE BUSINESS	6
Details of the Brucejack Project	6
DIVIDENDS	13
DESCRIPTION OF CAPITAL STRUCTURE	13
TRADING PRICE AND VOLUME	14
PRIOR SALES	14
DIRECTORS AND OFFICERS	14
Name and Occupation	14
Shareholdings of Directors and Senior Officers	16
Cease Trade Orders, Bankruptcies, Penalties or Sanctions	16
Conflicts of Interest	17
AUDIT COMMITTEE INFORMATION	17
RISK FACTORS	19
LEGAL PROCEEDINGS AND REGULATORY ACTIONS	31
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS	32
AUDITORS, TRANSFER AGENT AND REGISTRAR	32
MATERIAL CONTRACTS	32
INTEREST OF EXPERTS	32
ADDITIONAL INFORMATION	32
APPENDIX I AUDIT COMMITTEE CHARTER	A-1

PRELIMINARY NOTES

Effective Date of Information

This AIF is dated March 18, 2013, and unless otherwise indicated, the information contained herein is current as of such date, other than certain financial information which is current as of December 31, 2012, being the date of the Company's most recently audited financial year end.

Currency

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

Note Regarding Forward Looking Statements

This AIF contains "forward-looking information" and "forward looking statements" within the meaning of applicable Canadian and United States securities legislation (collectively herein referred to as "forward-looking statements"), including the "safe harbour" provisions of provincial securities legislation and the U.S. Private Securities Litigation Reform Act of 1995, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, and Section 27A of the U.S. Securities Act of 1933, as amended. Forward-looking information may include, but is not limited to, information with respect to our planned exploration and development activities, the adequacy of our financial resources, the estimation of mineral resources, realization of mineral resource estimates, timing of development of the Brucejack Project (as defined below), costs and timing of future exploration, results of future exploration and drilling, production and processing estimates, capital and operating cost estimates, timelines and similar statements relating to the economic viability of the Brucejack Project, timing and receipt of approvals, consents and permits under applicable legislation, our executive compensation approach and practice, and adequacy of financial resources. Wherever possible, words such as "plans", "expects", "projects", "assumes", "budgeted", "strategy", "scheduled", "estimates", "forecasts", "anticipates", "believes", "intends" "modelled" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative forms of any of these terms and similar expressions, have been used to identify forward-looking statements and information.

Statements concerning mineral resource estimates may also be deemed to constitute forward-looking information to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be forward-looking information. Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation, risks related to:

- the exploration, development and operation of a mine or mine property, including the potential for undisclosed liabilities on our mineral projects;
- the fact that we are a relatively new company with no mineral properties in production or development and no history of production or revenue;
- development of the Brucejack Project;
- our ability to obtain adequate financing for our planned exploration and development activities and to complete further exploration programs;
- dependency on the Brucejack Project for our future operating revenue;
- our mineral resource estimates, including accuracy thereof and our ability to upgrade such mineral resource estimates and establish mineral reserve estimates;
- uncertainties relating to the interpretation of drill results and the geology, grade and continuity of our mineral deposits;
- commodity price fluctuations, including gold price volatility;
- market events and general economic conditions;
- availability of suitable, or damage to, existing infrastructure;
- governmental regulations, including environmental regulations;

- delay in obtaining or failure to obtain required permits, or non-compliance with permits that are obtained;
- increased costs and restrictions on operations due to compliance with environmental laws and regulations;
- compliance with emerging climate change regulation;
- adequate internal control over financial reporting;
- increased costs of complying with the Dodd-Frank Act;
- potential opposition from non-governmental organizations;
- uncertainty regarding unsettled First Nations rights and title in British Columbia;
- land reclamation requirements;
- uncertainties related to title to our mineral properties and surface rights;
- currency fluctuations;
- increased costs affecting the mining industry;
- increased competition in the mining industry for properties, qualified personnel and management;
- our ability to attract and retain qualified management;
- some of our directors' and officers' involvement with other natural resource companies;
- potential inability to attract development partners or our ability to identify attractive acquisitions;
- Silver Standard Resources Inc.'s ("**Silver Standard**") share ownership, ability to influence our governance and possible market overhang;
- uncertainty as to the outcome of potential legal proceedings;
- future sales or issuances of our equity securities; and
- our being treated as a passive foreign investment company for U.S. Federal income tax purposes.

This list is not exhaustive of the factors that may affect any of our forward-looking information. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Forward-looking information involves statements about the future and is inherently uncertain, and our actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking information due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading "Risk Factors" and elsewhere in this AIF. Our forward-looking information is based on the beliefs, expectations and opinions of management on the date the statements are made. In connection with the forward-looking statements contained in this AIF, we have made certain assumptions about our business, including about our planned exploration and development activities; the accuracy of our mineral resource estimates; capital and operating cost estimates; production and processing estimates; the results, costs and timing of future exploration and drilling; timelines and similar statements relating to the economic viability of the Brucejack Project; timing and receipt of approvals, consents and permits under applicable legislation; and the adequacy of our financial resources. We have also assumed that no significant events will occur outside of our normal course of business. Although we believe that the assumptions inherent in the forward-looking statements are reasonable as of the date of this AIF, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to the inherent uncertainty therein. We do not assume any obligation to update forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable law. For the reasons set forth above, prospective investors should not place undue reliance on forward-looking information.

Technical and Scientific Disclosure

Certain technical information relating to the Brucejack Project contained in this AIF is derived from, and in some instances is an extract from, the report entitled "Mineral Resources Update Technical Report" (the "**Brucejack Report**") dated November 20, 2012, which was prepared and verified by Ivor W.O. Jones, M.Sc., CP, FAusIMM, Senior Principal Consultant, Snowden Mining Industry Consultants ("**Snowden**") in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**"). The Brucejack Report is the only current NI 43-101 compliant technical report with respect to the Brucejack Project and supersedes all previous technical reports.

Technical information in this AIF not contained in the Brucejack Report has been approved by Mr. Kenneth C. McNaughton, M.A.Sc., P.Eng., Pretivm's Vice President and Chief Exploration Officer and Ian I. Chang M.A.Sc., P.Eng., Pretivm's Vice President, Project Development, each of whom is a "qualified person" as defined in NI 43-101 and has reviewed and verified the disclosure of such information.

Reference should be made to the full text of the Brucejack Report, which has been filed with certain Canadian securities regulatory authorities pursuant to NI 43-101 and is available for review under the Company's profile on SEDAR at www.sedar.com. Alternatively, copies of the Brucejack Report may be inspected during normal business hours at the Company's head office.

National Instrument 43-101 Definitions

Canadian reporting requirements for disclosure of mineral properties are governed by NI 43-101. The definitions given in NI 43-101 are adopted from those given by the Canadian Institute of Mining Metallurgy and Petroleum.

Mineral Resource

The term "mineral resource" refers to a concentration or occurrence of diamonds, natural, solid, inorganic or fossilized organic material including base and precious metals, coal and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.

Measured Mineral Resource

The term "measured mineral resource" refers to that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.

Indicated Mineral Resource

The term "indicated mineral resource" refers to that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

Inferred Mineral Resource

The term "inferred mineral resource" refers to that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

Qualified Person

The term “qualified person” refers to an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development, production activities and project assessment, or any combination thereof, including experience relevant to the subject matter of the project or report and is a member in good standing of a self-regulating organization.

Cautionary Note to US Investors

Technical disclosure in this AIF has not been prepared in accordance with the requirements of United States securities laws and uses terms that comply with reporting standards in Canada with certain estimates prepared in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all mineral reserve and mineral resource estimates contained in this AIF have been prepared in accordance with NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Classification System.

Canadian standards, including NI 43-101, differ significantly from the requirements of the Securities and Exchange Commission (“SEC”), and mineral reserve and resource information contained or incorporated by reference in this AIF may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term “resource” does not equate to the term “reserves”. Under U.S. standards, mineralization may not be classified as a “reserve” unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Among other things, all necessary permits would be required to be in hand or issuance imminent in order to classify mineralized material as reserves under the SEC standards. Accordingly, mineral reserves estimates included in this AIF may not qualify as “reserves” under SEC standards. The SEC’s disclosure standards normally do not permit the inclusion of information concerning “measured mineral resources”, “indicated mineral resources” or “inferred mineral resources” or other descriptions of the amount of mineralization in mineral deposits that do not constitute “reserves” by U.S. standards in documents filed with the SEC. U.S. investors should also understand that “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. Under Canadian rules, estimated “inferred mineral resources” may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an “inferred mineral resource” exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in-place tonnage and grade without reference to unit measures. In addition, the definitions of “proven mineral reserves” and “probable mineral reserves” under reporting standards in Canada differ in certain respects from the standards of the SEC. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with U.S. standards.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) on October 22, 2010. Our head office is located at 1600 – 570 Granville Street, Vancouver, British Columbia, V6C 3P1 and our registered office is at 2900 – 550 Burrard Street, Vancouver, British Columbia, V6C 0A3.

Intercorporate Relationships

We currently have two wholly-owned subsidiaries, Pretium Exploration Inc. and 0890696 B.C. Ltd, which hold our interests in the Brucejack Project and the assets related thereto, both of which were incorporated under the BCBCA.

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

We are an exploration and development company that was formed for the acquisition, exploration and development of precious metal resource properties in the Americas. Our only material mineral project for the purposes of NI 43-101 is the Brucejack Project (the “**Brucejack Project**”), an advanced stage exploration project located in north-western British Columbia. We intend to focus our exploration and development efforts on the Brucejack Project and, in particular, on expanding, and increasing the quality of mineral resources and on advancing engineering studies on the higher grade underground opportunities at the Brucejack Project. We also have a 100% interest in the Snowfield Project (the “**Snowfield Project**”), which is also located in north-western British Columbia. We are not actively developing the Snowfield Project at this time, and we consider it to be non-material to our business and for the purposes of NI 43-101.

As at November 20, 2012, indicated mineral resources at the Brucejack Project’s Valley of the Kings were estimated at approximately 8.5 million ounces of gold, and inferred mineral resources at the Valley of the Kings were estimated at approximately 2.9 million ounces of gold. All resource figures are at a cut-off grade of 5.0 grams/tonne (“**g/t**”) gold equivalent (“**AuEq**”). See “*Details of the Brucejack Project — Mineral Resource Estimates*”.

Strategy and Objectives

Our strategy is to grow our business through the exploration and acquisition of quality precious metals projects. The Brucejack Project is our initial material project. We intend to continue exploration of this project with a focus on expanding and increasing the quality of resources and advancing engineering studies on the higher grade underground opportunity at the Brucejack Project.

A feasibility study has been commissioned on the high-grade gold opportunity at the Brucejack Project.

Acquisition of the Combined Project Assets

We acquired the Brucejack Project, along with the Snowfield Project and other associated assets (together, the “**Project Assets**”), pursuant to an acquisition agreement dated October 28, 2010, as amended, with Silver Standard (the “**Acquisition Agreement**”), for an aggregate acquisition price of \$450 million, consisting of a cash payment of \$233,020,000 and the issuance of a total of 36,163,333 common shares (the “**Common Shares**”) in the capital of Pretium (the “**Acquisition**”). We financed the cash portion of the Acquisition with part of the proceeds from our initial public offering, which closed concurrently with the acquisition of the Project Assets in December 2010.

We entered into an investor rights agreement dated December 21, 2010 (the “**Investor Rights Agreement**”) with Silver Standard that provides that, as long as Silver Standard and its affiliates hold at least 10% of the issued and outstanding Common Shares:

- Silver Standard is entitled to nominate to serve as members of our board of directors (the “**Board**”) the number of nominees equal to the lesser of (i) one less than the number which constitutes a majority of the Board and (ii) the percentage of issued and outstanding Common Shares and securities convertible or exchangeable into Common Shares held by Silver Standard multiplied by the number of directors comprising the Board (rounded to the nearest whole number);
- Silver Standard and its affiliates have the right to maintain their proportionate ownership of our Common Shares by participating pro rata in issuances of Common Shares (save in respect of equity compensation plans); and
- Silver Standard and its affiliates have the right to sell Common Shares by participating pro rata in prospectus offerings by us (to a maximum of 20% of any such offering).

We also entered into a transition services agreement dated December 21, 2010 (the “Transition Services Agreement”) with Silver Standard pursuant to which Silver Standard provided certain administrative services for the purpose of transitioning the ownership of the Project Assets. The Transition Services Agreement terminated according to its terms on December 21, 2011.

NARRATIVE DESCRIPTION OF THE BUSINESS

Details of the Brucejack Project

Project Description and Location

The Brucejack Project (also known as the “Property” in the Brucejack Report) consists of six mineral claims totalling 3,199.28 hectares and all claims are in good standing until January 31, 2022. Pretivm acquired its 100% outright interest in the Brucejack Project in December 2010, pursuant to the Acquisition Agreement with Silver Standard. The Brucejack Project is subject to a 1.2% net smelter returns royalty in favour of Black Hawk Mining Inc. (“**Black Hawk**”) on production in excess of 503,386 ounces of gold and 17,907,080 ounces of silver.

The majority of the Brucejack Project falls within the boundaries of the Cassiar-Iskut-Stikine Land and Resource Management Plan (the “**LRMP**”) area of northwestern British Columbia, with only a minor south-eastern segment of Mineral Claim No. 509506 falling outside this area. All claims located within the boundaries of the LRMP are considered as areas of general management direction, with none of the claims falling inside any protected or special management areas. At present, the land claims in the area are in review and subject to ongoing discussions between various First Nations and the Government of British Columbia.

The Brucejack Project is centred at approximately latitude 56°28’20”N by longitude 130°11’31”W, approximately 950 kilometres northwest of Vancouver, 65 kilometres north-northwest of Stewart, and 21 kilometres south-southeast of the Eskay Creek Mine.

The Brucejack Project is located in the Boundary Range of the Coast Mountain Physiographic Belt along the western margin of the Intermontane Tectonic Belt. The terrain is generally steep with local reliefs of 1000 metres from valleys occupied by receding glaciers, to ridges at elevations of 1200 metres above sea-level. Elevations within the Brucejack Project area range from 1366 metres along Brucejack Lake to 1650 metres at the Bridge Zone. However, within several areas, the relief is relatively low to moderate.

The climate is typical of north-western British Columbia with cool, wet summers, and relatively moderate but wet winters. Annual temperatures range from +20°C to -20°C. Precipitation is high with heavy snowfall accumulations ranging from 10 metres to 15 metres at higher elevations and 2 metres to 3 metres along the lower river valleys. Snow packs cover the higher elevations from October to May. The optimum field season is from late June to mid-October.

The area is easily accessible by helicopter from the town of Stewart, or seasonally from the settlement of Bell II. The flight time from Stewart is approximately 30 minutes. Pretivm has started construction on reopening the Newhawk Gold Mines Ltd. (“**Newhawk**”) access road. Originally, the Newhawk access was by barge over Bowser Lake, then by truck to camp. Pretivm is rehabilitating the old road along the Bowser River and up the

Knipple Glacier, and is in the process of building a new stretch of road, working up Scott Creek from the Bowser River and up Wildfire Creek from Highway 37. The exploration road was completed in December 2012.

There are no local resources other than abundant water for drilling. The nearest infrastructure is the town of Stewart, approximately 65 kilometres to the south, which has limited supplies and personnel. The towns of Terrace and Smithers are also located in the same general region as the Brucejack Project. Both are directly accessible by daily air service from Vancouver.

The nearest railway is the Canadian National Railway Yellowhead route, which is located approximately 220 kilometres to the southeast. This line runs east-west and terminates at the deep water port of Prince Rupert on the west coast of British Columbia. The most northerly ice-free shipping port in North America, in Stewart, is accessible to store and ship concentrates.

A high voltage 138-kV power line currently services Stewart, BC and has sufficient capacity to provide power to the Brucejack Project. Also, a high voltage power line running parallel with Highway 37 is planned for construction (www.highway37.com). The plan calls for the new 287-kV line to extend from the community of Terrace to the beginning of the Galore Creek access road at Bob Quinn Lake providing access for the Property to the BC Hydro electric grid. The final capacity of this transmission line has yet to be determined and may be increased due to demand.

History

The exploration history of the area dates back to the 1880s when placer gold was located at Sulphurets and Mitchell Creeks. Placer mining was intermittently undertaken throughout the early 1900s and remained the main focus of prospecting until the mid-1930s.

In 1935, prospectors discovered copper-molybdenum mineralization on the Sulphurets property in the vicinity of the Main Copper zone, approximately six kilometres northwest of Brucejack Lake; however, these claims were not staked until 1960. From 1935 to 1959, the area was relatively inactive with respect to prospecting; however, it was intermittently evaluated by a number of different parties and several small copper and gold-silver occurrences were discovered in the Sulphurets-Mitchell Creek area.

In 1960, Granduc and Alaskan prospectors staked the main claim group covering the known copper and gold-silver occurrences, which collectively became known as the Sulphurets property, starting the era of modern exploration. Various operators explored the area, and an underground program was completed on the West Zone between 1986 and 1991 by the Newcana Joint Venture among Granduc, Newhawk and Lacana Mining Corporation.

In 1999, Silver Standard acquired Newhawk and with it, Newhawk's 60% interest and control of the Brucejack Project. In 2001, Silver Standard acquired Black Hawk's 40% direct interest in the Brucejack Project, resulting in 100% interest in the Brucejack Project.

Silver Standard began initial work on the Brucejack Project in 2009 with a large diamond drilling campaign and a resampling program on historical core. A total of 17,846 metres of diamond drilling were completed in 37 holes during the 2009 field season. In 2010, a total of 33,400 metres of diamond drilling was completed in 72 holes. The West Zone ramp was partially dewatered in late 2011 and early 2012. A geotechnical mapping program and updated survey was completed on the dewatered portion of the mine.

Geological Setting

The Sulphurets Mining Camp, which includes the Snowfield and Brucejack Properties, is located on the eastern limb of the broad McTagg anticlinorium, a major north-trending mid-Cretaceous structural culmination in the western SFB. Sedimentary and volcanic rocks of the Upper Triassic Stuhini Group form the core of the anticlinorium, and are successively replaced outwards towards the west, north, and east of the core by progressively younger rocks of the Lower to Middle Jurassic dominantly volcanic and lesser sedimentary rocks of the Hazelton Group followed by dominantly sedimentary rocks of the Bowser Lake Group.

Geology on the Brucejack Property can generally be characterized as a northerly-trending, broadly arcuate, concave-westward structural-stratigraphic belt of variably altered rocks. This belt is bisected on the western side of the Property by a prominent topographic lineament, the Brucejack Fault. This belt is characterised by a broad band of variably but generally intensely quartz-sericite-pyrite altered rocks of up to several hundred metres or more across, and approximately five kilometres in strike extent. The quartz-sericite-pyrite alteration typically contains between two and 20% pyrite, and, depending on the alteration intensity, can preclude protolith recognition. Most of the defined mineral resources on the Property are located within the intensely altered zone.

Mineralization

High grade gold (\pm silver) mineralization is predominantly located within this alteration band and is generally associated with vein-stockwork systems of varying intensity. These stockwork systems display good continuity along-strike (several tens of metres to several hundreds of metres) and are characterized by the presence of mesothermal to epithermal veins of quartz, quartz-carbonate, quartz-adularia, and pyrite that are typically on the order of millimetres to tens of centimetres in thickness and which form intense crosscutting networks within the stockworks. In rare cases, the veins may range up to nearly ten metres in thickness. Most high grade zones are either on the margins of, or contained within, a zone of bulk mineralization. Bulk low grade mineralization zones (locally up to several grams per tonne gold) tend to be associated with disseminated anhedral pyrite. Zones and veins of euhedral pyrite are barren.

The hypothesis for the formation of the mineralization on the Brucejack Property at the time of this report is that it represents a deformed transitional meso- to epithermal porphyry-associated quartz stockwork in pervasively altered lower Hazelton Group rocks. It is thought that the bulk mineralization may have been formed shortly after consolidation of the volcanic pile due to reactions between these rocks and seawater. Progressive development and telescoping of the porphyry system in rocks of the volcanic pile would then have resulted in widespread and zoned porphyry-style alteration and mineralization, with the high grade gold and gold-silver mineralization generated in a transitional meso- to epithermal environment slightly more distal (i.e., down temperature) from the intrusive stock/dyke/sill body than the KSM and Snowfield deposits.

Mineralized Zones

The current resources as presented in this AIF are comprised of two different zones on the Brucejack Project, being the Valley of the Kings and the West Zone.

Valley of the Kings

Exploration drilling by Silver Standard (2009, 2010) and Pretivm (2011 to present), as well as recent surface mapping, has been successful in outlining a series of corridors of high grade mineralization associated with deformed quartz stockworks and intense quartz-sericite-pyrite alteration in an east-west trending and east-southeast plunging tight syncline developed in almost the full sequence of lower Hazelton Group rocks.

The Valley of the Kings mineralized zone trends approximately west-northwest to east-southeast. Its orientation mirrors that of Electrum Ridge, a pronounced topographic feature near the southern margin of the zone, and drilling to date has extended its strike to over 800 metres. The zone is up to 150 metres wide and was originally thought to be bound to the west by the Brucejack Fault. Recent drilling in the current 2012 drill program, together with the presence of significant intervals of gold mineralization, in the Waterloo Zone, indicates that the Valley of the Kings continues west across the fault, thereby making the zone open to the west, as well as to the east and at depth.

High-grade gold and silver mineralization within the Valley of the Kings occurs as electrum, which is generally hosted in deformed quartz-carbonate and quartz-adularia veins and vein stockworks. While quartz veining and stockworks are common throughout the zone, the majority of gold intersections are confined to corridors within a 75 metres to 100 metres wide zone on the southern limb of the syncline. The orientation of these corridors is subparallel to the fold axis. Gold to silver ratios within the Valley of the Kings are typically 2:1 or higher. Variations in this ratio, which could be a function of thermal gradients developed at the time of mineralization, are suggested by a visible increase in the proportion of silvery electrum (at the expense of more gold-coloured

electrum) with a concomitant increase in the proportion of vein-hosted adularia towards the eastern parts of the zone. Additional precious metals-bearing minerals found in the Valley of the Kings, typically in trace quantities, include silver sulphides, acanthite, pyrrargyrite and tetrahedrite, and associated with base metal-bearing sulphides include sphalerite and galena.

Low grade bulk tonnage mineralization, associated with disseminated anhedral pyrite, forms a halo within the altered rocks, surrounding the high grade mineralization corridors.

West Zone

The West Zone gold-silver deposit is hosted by a northwesterly trending band of intensely altered Lower Jurassic latitic to trachyandesitic volcanic and subordinate sedimentary rocks, as much as 400 metres to 500 metres thick, which passes between two more competent bodies of hornblende plagioclase hornblende phyrlic flows. The stratified rocks dip moderately to steeply to the northeast and are intensely altered, particularly in the immediate area of the precious metals mineralization. The West Zone appears to form the northern limb of an anticline that links up with the Valley of the Kings to the south, and the southern limb of a syncline that extends further to the north.

The West Zone deposit itself comprises at least 10 quartz veins and mineralized quartz stockwork ore shoots, the longest of which has a strike length of approximately 250 metres and a maximum thickness of about around 6 metres. Most mineralized shoots have vertical extents that are greater than their strike lengths. Veins and stockworks in this zone display clear evidence of post-mineral ductile and brittle deformation. The West Zone is open along strike to the southeast, and at depth to the northeast.

In terms of hydrothermal alteration, the West Zone is marked by a central silicified zone that passes outwards to a zone of sericite \pm quartz \pm carbonate and then an outer zone of chlorite \pm sericite \pm carbonate. The combined thickness of the alteration zones across the central part of the deposit is between 100 metres and 150 metres.

Gold in the West Zone occurs principally as electrum in quartz veins and is associated with, in decreasing order of abundance, pyrite, sphalerite, chalcopyrite, and galena. Besides being found with gold in electrum, silver occurs in tetrahedrite, pyrrargyrite, polybasite and, rarely, stephanite and acanthite. Gangue mineralogy of the veins is dominated by quartz, with accessory adularia, albite, sericite, and minor carbonate and barite. The increased abundance of silver in the West Zone may suggest that this zone was formed down temperature gradient from the Valley of the Kings.

Drilling

The total input database for the Brucejack Property comprises 1,417 drillholes including 439 underground drillholes at West Zone (24,704 metres), 400 historical surface drillholes (35,745 metres) and 578 surface drillholes completed since 2009 (224,402 metres). Of the new drilling, 116 drillholes (47,462 metres) have been completed since the Mineral Resource estimate announced on September 7, 2012.

The database used for the Valley of the Kings estimate (between 6257520 mN and 6258440 mN) comprises 490 drillholes for 174,182 metres including 114 of the holes drilled since the September 2012 Mineral Resource (46,944 metres). The database used for the West Zone estimate comprises 756 drillholes (62,208 metres) including 439 underground drillholes (24,688 metres), 269 historical surface drillholes (21,321 metres) and 48 surface drillholes (17,199 metres) completed since 2009.

Historical drill core sizes for surface drillholes were NQ (47.6 millimetre diameter) and BQ (36.5 millimetre diameter). Core size for drillholes collared from an underground exploration ramp at West Zone was AQ (27 millimetre diameter).

Core sizes for Pretivm's surface collared drillholes are PQ (85 millimetre diameter), HQ (63.5 millimetre diameter) and NQ (47.6 millimetre diameter). Approximately 50% to 60% of the Pretivm core is HQ size. For drillholes less than 600 metres length, core size is commenced at HQ and is reduced to NQ when conditions

require. For drillholes greater than 600 metres length the commencing core size is PQ which is run down to approximately between 200 metres and 300 metres in order to minimise drill path deviation.

The drill collars were surveyed by McElhanney Surveying from Terrace, BC. McElhanney Surveying used a total station instrument and permanent ground control stations for reference and have completed all the surveying on the project since 2009.

Drillhole paths are surveyed at a nominal 50 metre interval using a Reflex EZ single shot instrument. There is no apparent drilling or recovery factor that would materially impact the accuracy and reliability of the drilling results.

Sampling, Analysis, Data Verification and Security

Split PQ samples weigh approximately 10 kilograms. HQ samples are around 6 kilograms, and NQ are 3 kilograms to 4 kilograms. These weights assume a nominal 1.5 metre sample length. In general, the average sample size submitted to the analytical laboratory, ALS Chemex (“ALS”) was 6.5 kilograms.

Samples at ALS were crushed to 70% passing 2 millimetres, (-10 mesh). Samples were riffle split and 500 g were pulverized to 85% passing 75 µm (-200 mesh). The remaining coarse reject material was returned to Pretivm for storage in our Smithers warehouse for possible future use.

Gold was determined using fire assay on a 30 g aliquot with an atomic absorption finish. In addition, a 33 element package was completed using a four acid digest and ICP-AES analysis, which included the silver. Density determinations were done by ALS using the pycnometer method on pulps from the drilling program.

Procedures undertaken by Pretivm have been under the supervision and security of the issuer’s staff, as far as drill core sampling prior to dispatch. Laboratory sample reduction and analytical procedures have been conducted by independent accredited companies with acceptable practices.

Pretivm ensures quality control is monitored through the insertion of blanks, certified reference materials and duplicates. In the opinion of Ivor W.O. Jones, M.Sc., CP, FAusIMM, author of the Brucejack Report, the sample preparation, security, and analytical procedures are satisfactory and the data is suitable for use in Mineral Resource estimates.

Mineral Resource Estimates

Snowden, in November 2012, completed a Mineral Resource estimate for Valley of the Kings within the Brucejack Project. The West Zone estimate remains unchanged from the Mineral Resource estimate announced April 3, 2012. The new estimate is reported at a high-grade cut-off for potential underground extraction.

A threshold grade of 0.3 g/t Au was found to generally identify the broad zones of mineralization in the drill cores at West Zone and Valley of the Kings. At Valley of the Kings, a 1 g/t Au to 3 g/t Au threshold grade was used together with Pretivm’s interpretation of the lithological domains, to interpret high grade corridors within the broader mineralized zones, and define a series of mineralized domains for estimation.

At VOK, the mineralization was found to form a series of pods within the core Jurassic rocks, with the pods being associated, at least in part, with intensely silicified zones resulting from local silica flooding and over pressure caprock formation mainly in poly lithic conglomerate, and to a lesser extent the fragmental pyroclastic rocks in the lower Hazelton Group. Within the bounding Triassic and porphyry rocks, the mineralization forms a series of sub-vertical domains.

All data was composited to the dominant sample length of 1.5 metres prior to analysis and estimation. Statistical analysis of the gold and silver data was carried out by lithological domain (at Valley of the Kings) and mineralized domain. Review of the statistics indicated that the grade distributions for the mineralization within the Triassic and porphyry lithologies are very similar and as a result these were combined for analysis. All domains exhibit a strong positive skewness with high coefficient of variation and extreme outliers.

Because of the extreme positive skew in the histograms of the gold and silver grades within the high grade domains, Snowden elected to use an indicator approach whereby the proportion of high grade in a block was modelled, as was the grade of the high grade portion, and the grade of the low grade portion.

The high grade population which contains a significant number of samples with extreme grades required indicator kriging methods for grade estimation. The low grade estimation was estimated with ordinary kriging combined with topcut data.

Density was estimated using simple kriging of specific gravity measurements provided by ALS. As part of the 2012 drilling program, Pretivm selected a portion of the samples (207 samples) to undergo core density measurements as well as the pulp specific gravity measurements in order to determine whether there is any impact on the density as a result of porosity. The results of the comparison indicate that the core density is on average 6% lower than the pulp specific gravity within the siliceous zone and 9% lower on average in all other rock types. As a result, the pulp specific gravity measurements, which are used to estimate density in the model, were factored by 6% (siliceous zone) or 9% (other rock types) prior to statistical analysis and estimation.

Grade estimates and models were validated by undertaking global grade comparisons with the input drillhole composites, visual validation of block model cross sections and by grade trend plots.

The author of the technical report, Ivor W.O. Jones, M.Sc., CP, FAusIMM, is not aware of any permitting, legal, title, taxation, socio-economic, marketing or political issues that could material affect the Mineral Resource estimates.

The resource classification definitions (Measured, Indicated, Inferred) used for this estimate are those published by the Canadian Institute of Mining, Metallurgy and Petroleum (“**CIM**”) in their document “CIM Definition Standards”.

In order to identify those blocks in the block model that could reasonably be considered as a Mineral Resource, the block model was filtered by a cut-off grade of 5 g/t AuEq. The gold-equivalent calculation used is: $AuEq = Au + (Ag/53)$. These blocks were then classified as Measured, Indicated or Inferred and reported (Table 1.1 and Table 1.2).

Classification was applied based on geological confidence, data quality and grade variability. Areas classified as Measured Resources were those within the well informed portion of West Zone where the resource is informed by 5 metres by 5 metres or 5 metres by 10 metres spaced drilling. Areas classified as Indicated Resources are informed by 20 metres by 20 metres to 20 metres by 40 metres drilling within West Zone and VOK. The remainder of the Mineral Resource is classified as Inferred Resource where there is some drilling information and the blocks lie within the mineralized interpretation. Areas where there is no informing data and/or the lower grade material is outside of the mineralized interpretation are not classified as a part of the Mineral Resource.

Table 1
Valley of the Kings Mineral Resource estimate based on a cut-off grade of 5 g/t AuEq – November 2012⁽¹⁾⁽⁴⁾⁽⁵⁾

Category	Tonnes	Gold	Silver	Contained ⁽³⁾	
	(millions)	(g/t)	(g/t)	Gold (million oz)	Silver (million oz)
Indicated	16.1	16.4	14.1	8.5	7.3
Inferred ⁽²⁾	5.4	17.0	15.7	2.9	2.7

Notes:

- (1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral Resources in this AIF were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (2) The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an Indicated or Measured mineral resources and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
- (3) Contained metal and tonnes figures in totals may differ due to rounding.
- (4) The Mineral Resource estimate stated in Table 1 and Table 2 is defined using 5 metres by 5 by 5 metres blocks in the well drilled portion of West Zone (5 metres by 10 metres drilling or better) and 10 metres by 10 metres by 10 metres blocks in the remainder of West Zone and in Valley of the Kings.
- (5) The gold equivalent value is defined as AuEq = Au + Ag/53 based upon prices of US\$1,590/oz and US\$30/oz for gold and silver, respectively. Recoveries of gold and silver are assumed to be similar.

Table 2
West Zone Mineral Resource estimate based on a cut-off grade of 5 g/t AuEq – April 2012⁽¹⁾⁽⁴⁾⁽⁵⁾

Category	Tonnes	Gold	Silver	Contained ⁽³⁾	
	(millions)	(g/t)	(g/t)	Gold (million oz)	Silver (million oz)
Measured	2.4	5.85	347	0.5	26.8
Indicated	2.5	5.86	190	0.5	15.1
Measured + Indicated	4.9	5.85	267	0.9	41.9
Inferred ⁽²⁾	4.0	6.44	82	0.8	10.6

Notes:

- (1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, marketing, or other relevant issues. The Mineral Resources in this AIF were estimated using the CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
- (2) The quantity and grade of reported Inferred resources in this estimation are uncertain in nature and there has been insufficient exploration to define these inferred resources as an Indicated or Measured mineral resources and it is uncertain if further exploration will result in upgrading them to an Indicated or Measured mineral resource category.
- (3) Contained metal and tonnes figures in totals may differ due to rounding.
- (4) The Mineral Resource estimate stated in Table 1 and Table 2 is defined using 5 metres by 5 by 5 metres blocks in the well drilled portion of West Zone (5 metres by 10 metres drilling or better) and 10 metres by 10 metres by 10 metres blocks in the remainder of West Zone and in Valley of the Kings.
- (5) The gold equivalent value is defined as AuEq = Au + Ag/53 based upon prices of US\$1,590/oz and US\$30/oz for gold and silver, respectively. Recoveries of gold and silver are assumed to be similar.

Mining Operations

On February 23, 2012, we announced positive results from a National Instrument 43-101 compliant Preliminary Economic Assessment (“PEA”) for the high-grade gold and silver resources identified at our Brucejack Project, which was based on our Mineral Resource estimate announced on November 28, 2011. The PEA was filed on www.sedar.com on February 22, 2012. The Mineral Resource estimate announced on November 28, 2011 is no longer current and, accordingly, the PEA is also no longer current.

A feasibility study examining the economics of the development of a high-grade gold, underground mine at the Brucejack Project at an assumed production rate of 2,700 tonnes per day is currently underway. The feasibility study is expected to be completed in the second quarter of 2013.

Exploration and Development

In August 2012, we mobilized an underground contractor to site to initiate our underground exploration program, which was designed to, amongst other things, access the Valley of the Kings deposit underground, excavate a 10,000 tonne underground bulk sample and demonstrate continuity of the high-grade gold mineralization. The initial phase of the underground program involved widening a portion of the historical West Zone underground workings to five metres by five metres so that the historical West Zone portal and underground workings can be used for access to the Valley of the Kings with production sized mining equipment. In late December 2012, the widening of the historical West Zone underground workings was completed and excavation commenced of the access ramp from the West Zone workings to the Valley of the Kings.

The access ramp to the Valley of the Kings from the West Zone is planned to total 546 metres in length, and is targeting the 1345 metre level at the 426600 cross-section of the Valley of the Kings. At the date of this AIF, approximately 275 metres of the access ramp have been excavated since the turn towards the Valley of the Kings from the West Zone was initiated late last year. The ramp is expected to access the Valley of the Kings in the second quarter of this year.

In addition to targeting an area of mineralization for the bulk sample, the current ramp alignment will allow acceleration of production development as it will be used to provide initial access to the Valley of the Kings and multiple headings for excavation of the planned production declines. A channel sampling program along the ramp will be conducted as work progresses, as the area is untested. Further underground sampling and drilling is planned after Valley of the Kings has been reached.

DIVIDENDS

We have not, since the date of incorporation, declared or paid any dividends on our common shares, and do not currently have a policy with respect to the payment of dividends. For the foreseeable future, we anticipate that we will retain future earnings and other cash resources for the operation and development of our business. The payment of dividends in the future will depend on the earnings, if any, and our financial condition and such other factors as our directors consider appropriate.

DESCRIPTION OF CAPITAL STRUCTURE

Our authorized share capital consists of an unlimited number of Common Shares, without par value, and an unlimited number of Preferred Shares, without par value, issuable in series. 96,476,186 Common Shares and no Preferred Shares were issued and outstanding as at the date of this AIF.

All of the Common Shares rank equally as to voting rights, participation in a distribution of the assets of the Company on a liquidation, dissolution or winding-up of the Company and entitlement to any dividends declared by the Company. The holders of the Common Shares are entitled to receive notice of, and to attend and vote at, all meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote). Each Common Share carries the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the payment by the Company of all of its liabilities. The holders of Common Shares are entitled to receive any dividends declared by the Company in respect of the Common Shares, subject to the rights of holders of other classes ranking in priority to the Common Shares with respect to the payment of dividends, on a pro rata basis. Any alteration of the rights attached to the Common Shares must be approved by at least two-thirds of the Common Shares voted at a meeting of our shareholders.

TRADING PRICE AND VOLUME

Our Common Shares trade on the TSX and the NYSE under the symbol “PVG”. Our Common Shares commenced trading on the NYSE on January 12, 2012. The following table sets out the price ranges (high, low and close) and trading volume of our Common Shares as quoted on the TSX for each month our most recently completed financial year:

<u>Period</u>	<u>TSX</u>			
	<u>High</u> <u>(\$)</u>	<u>Low</u> <u>(\$)</u>	<u>Close</u> <u>(\$)</u>	<u>Volume</u> <u>(Shares)</u>
December 2012	14.10	12.67	13.11	4,409,800
November 2012	14.34	12.40	13.45	3,526,900
October 2012	13.93	12.47	13.45	4,813,400
September 2012	12.98	12.13	12.88	9,002,400
August 2012	15.77	13.51	14.59	4,338,200
July 2012	15.05	12.89	14.66	5,972,400
June 2012	16.37	13.26	14.12	7,690,300
May 2012	16.74	10.94	13.50	10,957,800
April 2012	16.69	14.00	16.69	7,670,900
March 2012	18.15	13.03	14.26	18,565,400
February 2012	17.90	15.25	17.75	10,569,500
January 2012	16.53	12.60	16.40	7,885,500

The closing price of the Common Shares on the TSX and the NYSE on March 15, 2013, the last trading day before the date hereof, was \$8.16 and US\$7.97 per Common Share, respectively.

PRIOR SALES

Except with respect to stock options issued under the Company’s stock option plan as set out in the table below, the Company did not issue any securities in our most recent financial year that are of a class that is not listed or quoted for trading on a marketplace.

<u>Date Granted</u>	<u>Number</u>	<u>Exercise Price</u>
January 24, 2012	115,000	\$16.40
March 8, 2012	10,000	\$17.46
April 6, 2012	20,000	\$14.67
May 10, 2012	10,000	\$13.50
May 14, 2012	75,000	\$14.71
July 20, 2012	100,000	\$13.54
December 12, 2012	1,345,000	\$13.70

DIRECTORS AND OFFICERS

Name and Occupation

The following table sets forth the name of each of our directors and executive officers, their province or state and country of residence, their position(s) with the Company, their principal occupation during the preceding five years and the date they first became a director of the Company and the number of Common Shares held or controlled, directly or indirectly by such officer or director as of the date of this AIF. Each director’s term will expire immediately prior to the next annual meeting of shareholders.

Name and Residence	Position(s) with the Company	Principal Occupation During Past Five Years	Director Since	Number of Common Shares
Robert A. Quartermain British Columbia, Canada	President and Chief Executive Officer and Director	President and Chief Executive Officer of the Company October 2010 – present Retired – January 2010 to October 2010 Chief Executive Officer, Silver Standard – January 1985 – January 2010.	October 22, 2010	2,853,353 Common Shares
Peter J.A. de Visser British Columbia, Canada	Chief Financial Officer	Chief Financial Officer of the Company October 2010 to present Partner of DeVisser Gray LLP Chartered Accountants 1987 to December 2011	N/A	56,000 Common Shares
Joseph J. Ovsenek British Columbia, Canada	Vice President, Chief Development Officer and Director	Vice President, Chief Development Officer of the Company, January 2011 – present Senior Vice President, Corporate Development, Silver Standard, September 2009 – January 2011. Senior Vice President, Corporate, Silver Standard, February 2003 – September 2009.	December 21, 2010	125,575 Common Shares
Kenneth McNaughton British Columbia, Canada	Vice President, Chief Exploration Officer	Vice President, Chief Exploration Officer of the Company – January 2011 to Present Vice President, Exploration, Silver Standard, July 1991 – January 2011.	N/A	510,500 Common Shares
John Smith ⁽²⁾ British Columbia, Canada	Director	Chief Executive Officer, Silver Standard – August 2010 – present. Vice President, Resourcing and Development, BHP Billiton – January 2009 to June 2010. President, Iron Ore Integration, BHP Billiton – September 2008 to December 2008. CEO, BHP Billiton Mitsubishi Alliance – April 2005 to August 2008.	December 21, 2010	47,500 Common Shares

Name and Residence	Position(s) with the Company	Principal Occupation During Past Five Years	Director Since	Number of Common Shares
Christopher Noel Dunn ⁽¹⁾⁽²⁾ Massachusetts, USA	Director	Managing Director of Liberty Mining & Metals, a subsidiary of Liberty Mutual Investments September 2011 – present. Partner – Niantic Advisors LLC, April 2009 – October 2011. Managing Director, JP Morgan, May 2008 – February 2009. Senior Managing Director, Bear Stearns, May 2001 to May 2008.	October 22, 2010	100,000 Common Shares
Ross Mitchell ⁽¹⁾⁽²⁾ British Columbia, Canada	Director	Retired, July, 2007 – present Vice President, Finance, Silver Standard January 1996 - July 2007	October 22, 2010	102,500 Common Shares
Tom S.Q. Yip ⁽¹⁾ Colorado, USA	Director	Chief Financial Officer of International Tower Hill Mines Ltd. since September 2011. Vice President, Finance and Chief Financial Officer, Silver Standard July 2007 – August 2011. Vice President and Chief Financial Officer at Asarco LLC May 2006 to June 2007.	February 15, 2011	40,000 Common Shares
Ian I. Chang British Columbia, Canada	Vice President, Project Development	Vice President, Project Development for the Company, from April 2011 – present. Project Director and Head of Project Management for Fluor Canada Limited, February 2008 to April 2011.	N/A	1,720 Common Shares

Notes:

(1) Member of the Audit Committee.

(2) Member of the Compensation and Corporate Governance Committee.

Shareholdings of Directors and Senior Officers

Our directors and executive officers, as a group, beneficially own, control or direct, directly or indirectly, 3,837,148 Common Shares representing approximately 3.98% of the issued and outstanding Common Shares and hold options to acquire an additional 6,510,000 Common Shares, representing approximately 9.85% of the Common Shares on a fully-diluted basis.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of our directors or executive officers is, as at the date hereof, or was within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation, that was in effect for a period or more than 30 consecutive days (a “**Cease Trade Order**”) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such issuer, or (b) was subject to a Cease Trade

Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of our directors or executive officers, nor, to our knowledge, any shareholder holding a sufficient number of our securities to affect materially the control of the Company (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company (including ours) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such director, executive officer or shareholder.

None of our directors or executive officers, nor, to our knowledge, any shareholder holding a sufficient number of our securities to affect materially the control of the Company, has been subject to (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best of our knowledge, there are no known existing or potential conflicts of interest between the Company and any of our directors or officers as a result of such individual's outside business interests at the date hereof. However, certain of our directors and officers are, or may become, directors or officers of other companies, including, in particular, Silver Standard, with businesses which may conflict with the our business. Accordingly, conflicts of interest may arise which could influence these individuals in evaluating possible acquisitions or in generally acting on behalf of the Company. Pursuant to the BCBCA, directors are required to act honestly and in good faith with a view to the best interests of the Company. As required under the BCBCA and our Articles:

A director or executive officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or executive officer of the Company, must promptly disclose the nature and extent of that conflict.

A director who holds a disclosable interest (as that term is used in the BCBCA) in a contract or transaction into which the Company has entered or proposes to enter may generally not vote on any directors' resolution to approve the contract or transaction.

Generally, as a matter of practice, directors or executive officers who have disclosed a material interest in any transaction or agreement that our Board is considering will not take part in any Board discussion respecting that contract or transaction. If on occasion such directors do participate in the discussions, they will abstain from voting on any matters relating to matters in which they have disclosed a material interest. In appropriate cases, we will establish a special committee of independent directors to review a matter in which directors, or management, may have a conflict.

AUDIT COMMITTEE INFORMATION

Under National Instrument 52-110 ("NI 52-110") companies are required to provide disclosure with respect to their audit committee including the text of the audit committee's charter, the composition of the audit committee and the fees paid to the external auditor. The text of the Company's audit committee's charter is attached as Appendix 1 to this AIF.

The Company's current audit committee is comprised of Ross Mitchell (Chair), Christopher Noel Dunn and Tom S.Q. Yip, all of whom are independent and financially literate as such terms are defined in NI 52-110.

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as a member of the Audit Committee are as follows:

Ross Mitchell is a Chartered Accountant who has over thirty years of experience holding senior finance positions in both mining and mineral exploration companies. He was Vice President, Finance of Westmin Resources Inc. from 1989 to 1995. In 1996, he became Vice President, Finance of Silver Standard and held this position until his retirement in 2007. He earned a Bachelor of Commerce degree from the University of British Columbia in 1971 and a Chartered Accountant designation from the Institute of Chartered Accountants of British Columbia in 1973.

Christopher Noel Dunn is currently a Managing Director of Liberty Mining & Metals, a subsidiary of Liberty Mutual Investments, focused on investing in early stage mining companies. He is a limited partner of Niantic Partners LLC, a private equity partnership investing in commercial real estate. Prior to these posts, Mr. Dunn was at JP Morgan from May 2008 to February 2009 and at Bear Stearns from May 2001 to May 2008, as a leader of their respective investment banking practices in mining and metals. From September 1988 to May 1999, Mr. Dunn was a Managing Director of Goldman Sachs, managing a capital underwriting business in London. Mr. Dunn holds a Master of Arts degree from the University of Edinburgh and a Master of Science degree from the University of Durham.

Tom S.Q. Yip has over 25 years of experience in all aspects of financial management with both private and publicly traded resource companies. Mr Yip is currently the Chief Financial Officer of International Tower Hill Mines Ltd. From 2007 to 2011, Mr. Yip served as the Chief Financial Officer for Silver Standard. Prior to that, he served as the Chief Financial Officer of Asarco, LLC, a copper mining, smelting and refining company, from 2006 to 2007. He began his career in the mining industry with Echo Bay Mines Ltd., where he worked for 20 years holding various financial roles of increasing responsibility, including Principal Accounting Officer and then Chief Financial Officer. Mr. Yip is a Chartered Accountant and holds a Bachelor of Commerce degree in Business Administration from the University of Alberta.

Pre-approval Policy

The Audit Committee meets with the CEO and CFO of the Company and the independent auditors to review and inquire into matters affecting financial reporting, the system of internal accounting and financial controls and procedures and the audit procedures and audit plans. The Audit Committee also recommends to the Board the auditors to be appointed, subject to shareholder approval. In addition, the Audit Committee reviews and recommends to the Board for approval the annual financial statements, the annual report and certain other documents required by regulatory authorities.

The chair of the Audit Committee is generally responsible for overseeing the Audit Committee in its responsibilities as outlined in the Audit Committee Charter. The chair's duties and responsibilities include presiding at each meeting of the Audit Committee, referring specific matters to the Board in the case of a deadlock on any matter or vote, receiving and responding to all requests for information from the Company or the independent auditors, leading the Audit Committee in discharging its tasks and reporting to the Board on the activities of the Audit Committee.

External Auditor Service Fees

The aggregate fees billed by the Company's external auditors in respect of the last two financial years are as follows:

	<u>2011</u>	<u>2012</u>
Audit Fees⁽¹⁾	\$30,000	\$87,500
Audit-Related Fees⁽²⁾	\$44,625	\$109,500
Tax Fees⁽³⁾	Nil	Nil
All Other Fees	Nil	Nil

Notes:

- (1) Audits of the Company's consolidated financial statements, meetings with the Audit Committee and management with respect to quarterly filings, consulting and accounting standards and transactions, issuance of consent in connection with Canadian and United States securities filings.
- (2) Audit-related fees were paid for assurance and related services by the auditors that were reasonably related to the performance of the audit or the review of the Company's financial statements that are not included in Audit Fees.
- (3) Tax compliance, taxation advice and tax planning.

RISK FACTORS

Investing in the securities is speculative and involves a high degree of risk due to the nature of our business and the present stage of exploration of our mineral properties. The following risk factors, as well as risks currently unknown to us, could materially adversely affect our future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking information relating to the Company, or its business, property or financial results, each of which could cause purchasers of securities to lose part or all of their investment. You should carefully consider the following risk factors along with other risk factors included elsewhere in the AIF.

Risks Related to the Business of the Company

We have no mineral properties in production or under development and even if the development of any of our properties is found to be economically feasible, we will be subject to all of the risks associated with establishing new mining operations.

We do not currently have mineral properties under development. Even if the future development of any of our properties is found to be economically feasible, and the development of which is approved by the Board, such development will require the construction and operation of mines, processing plants and related infrastructure. As a result, we are and will continue to be subject to all of the risks associated with establishing new mining operations, including:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- the availability and cost of skilled labour, mining equipment and principal supplies needed for operations;
- the availability and cost of appropriate smelting and refining arrangements;
- the need to obtain necessary environmental and other governmental approvals and permits and the timing of the receipt of those approvals and permits;
- the availability of funds to finance construction and development activities;
- potential opposition from non-governmental organizations, First Nations, environmental groups, local groups or other stakeholders which may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of fuel, power, materials and supplies.

The costs, timing and complexities of developing our projects may be greater than anticipated because the majority of such property interests are not located in developed areas, and, as a result, our property interests may not be served by appropriate road access, water and power supply and other support infrastructure. Cost estimates may increase as more detailed engineering work is completed on a project. It is common in new mining operations to experience unexpected costs, problems and delays during construction, development and mine start-

up. Accordingly, we cannot provide assurance that our activities will result in profitable mining operations at our mineral properties.

We are an exploration stage company that has no history of production and no revenue from operations. We cannot provide assurance that we will generate any operating revenues at our mineral properties in the future.

We are an exploration company and all of our properties are in the exploration stage. We have a very limited history of operations and to date have generated no revenue from operations. As such, we are subject to many risks common to such enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. We have not defined or delineated any proven or probable mineral reserves on any of our exploration stage properties. Mineral exploration involves significant risk, since few properties that are explored contain bodies of ore that would be commercially economic to develop into producing mines.

We anticipate that we will continue to incur exploration and development costs without realizing any revenues for the foreseeable future. We expect to continue to incur losses unless and until such time as one or more of our mineral properties enters into commercial production and generates sufficient revenues to fund our continuing operations. If we are unable to generate significant revenues at the Brucejack Project, we will not be able to earn profits or continue operations. We cannot provide investors with any assurance that we will ever develop a mine at the Brucejack Project.

We may not have sufficient funds to develop our mineral properties or to complete further exploration programs.

We are an exploration company with limited financial resources. We currently generate no operating revenue, and must primarily finance exploration activity and the development of mineral properties by other means. In the future, our ability to continue exploration, and development and production activities, if any, will depend on our ability to obtain additional external financing. Any unexpected costs, problems or delays could severely impact our ability to continue exploration and development activities.

The sources of external financing that we may use for these purposes include project or bank financing, or public or private offerings of equity and debt. In addition, we may enter into one or more strategic alliances or joint ventures, decide to sell certain property interests, or utilize one or a combination of all of these alternatives. The financing alternative we choose may not be available on acceptable terms, or at all. If additional financing is not available, we may have to postpone the further exploration or development of, or sell, one or more of our principal properties. Furthermore, even if we raise sufficient additional capital, there can be no assurance that we will achieve profitability or positive cash flow. In addition, any future equity offering will further dilute your equity interest in us and any future debt financing will require us to dedicate a portion of our cash flow to payments on indebtedness and will limit our flexibility in planning for or reacting to changes in our business.

We are dependent on the Brucejack Project for our future operating revenue.

Our only material property for the purposes of NI 43-101 is the Brucejack Project, which has a limited life based on mineral resource estimates. There are no established mineral reserve estimates with respect to the Brucejack Project. Mineral resources are not mineral reserves and do not have demonstrated economic viability. In order to be able to develop a mine and commence production, we will be required to replace and expand our mineral resources and obtain mineral reserves. In the absence of additional mineral projects, the Company will be solely dependent upon the Brucejack Project for its revenue and profits, if any. In addition, development costs are difficult to predict and may render the development of the Brucejack Project financially unfeasible. Should the development of the Brucejack Project turn out to be not possible or practicable, for political, engineering, technical, economic, legal or other reasons, our business and financial position will be significantly and adversely affected.

Mineral resource and reserve calculations are only estimates.

Any figures presented for mineral resources in this AIF, any figures for mineral resources which may be presented in the future or any figures for mineral reserves that may be presented by us in the future are and will only be estimates. There is a degree of uncertainty attributable to the calculation of mineral reserves and mineral resources. Until mineral reserve estimates or mineral resource estimates are actually mined and processed, the quantity of metal and grades must be considered as estimates only and no assurances can be given that the indicated levels of metals will be produced. In making determinations about whether to advance any of our projects to development, we must rely upon estimated calculations as to the mineral resources and grades of mineralization on our properties.

The estimating of mineral reserves and mineral resources is a subjective process that relies on the judgment of the persons preparing the estimates. The process relies on the quantity and quality of available data and is based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. By their nature, mineral resource estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate.

Estimated mineral reserves or mineral resources may have to be recalculated based on changes in mineral prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral reserve or resource estimates. The extent to which resources may ultimately be reclassified as proven or probable mineral reserves is dependent upon the demonstration of their profitable recovery. Any material changes in mineral resource estimates and grades of mineralization will affect the economic viability of placing a property into production and a property's return on capital. We cannot provide assurance that mineralization can be mined or processed profitably.

Our mineral resource estimates have been determined and valued based on assumed future metal prices, cut-off grades, operating costs and other assumptions that may prove to be inaccurate. Extended declines in market prices for gold and silver may render portions of our mineralization uneconomic and result in reduced reported mineral resources, which in turn could have a material adverse effect on our results of operations or financial condition. We cannot provide assurance that mineral recovery rates achieved in small scale tests will be duplicated in large scale tests under on-site conditions or in production scale. In addition, if our projects produce concentrate for which there is no market, specifically, with respect to concentrate containing rhenium, this may have an impact on the economic model for the Brucejack Project. A reduction in any resources that may be estimated by us in the future could have an adverse impact on our future cash flows, earnings, results of operations and financial condition.

No assurances can be given that any mineral resource estimates for the Brucejack Project will ultimately be reclassified as proven or probable mineral reserves. The failure to establish proven and probable mineral reserves could restrict our ability to successfully implement our strategies for long-term growth and may impact future cash flows, earnings, results of operation and financial condition.

Uncertainty exists related to mineral resources.

There is a risk that inferred mineral resources referred to in this AIF cannot be converted into measured or indicated mineral resources as there may be limited ability to assess geological continuity. In addition, there is no assurance that any mineral resources will, as a result of continued exploration, be determined to have sufficient geological continuity so as to be upgraded to constitute proven and probable mineral reserves.

Changes in the market price of gold and other metals, which in the past have fluctuated widely, may materially and adversely affect our revenues and the value of our mineral properties.

Our profitability and long-term viability will depend, in large part, on the market price of gold and silver. The market prices for these metals are volatile and are affected by numerous factors beyond our control, including:

- global or regional consumption patterns;
- the supply of, and demand for, these metals;
- speculative activities;
- the availability and costs of metal substitutes;
- expectations for inflation; and
- political and economic conditions, including interest rates and currency values.

We cannot predict the effect of these factors on metal prices. A decrease in the market price of gold and other metals could affect our ability to finance the exploration and development of any of our mineral properties. The market price of gold and other metals may not remain at current levels. In particular, an increase in worldwide supply, and consequent downward pressure on prices, may result over the longer term from increased gold production from mines developed or expanded as a result of current metal price levels. A sustained period of declining gold and other metal prices would adversely affect our financial performance, financial position and results of operations.

We may incur losses for the foreseeable future.

We expect to incur losses unless and until such time as our mineral projects generate sufficient revenues to fund continuing operations. The exploration and development of our mineral properties will require the commitment of substantial financial resources that may not be available. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and development, the results of consultants' analyses and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners and the acquisition of additional property interests, some of which are beyond our control. We cannot provide assurance that we will ever achieve profitability.

General market events and conditions may adversely affect our business and industry.

In 2007 and into 2008, the U.S. credit markets began to experience serious disruption due to a deterioration in residential property values, defaults and delinquencies in the residential mortgage market (particularly, sub-prime and non-prime mortgages) and a decline in the credit quality of mortgage-backed securities. These problems led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions continued and worsened in 2008 and early 2009, causing a loss of confidence in the U.S. and global credit and financial markets and resulting in the collapse of, and government intervention in, major banks and other financial institutions and insurers, and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by the U.S. and other governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate and stock markets to decline substantially. Since such time, there has been no broad and consistent improvement in general economic indicators, including employment levels, announced corporate earnings, economic growth and consumer confidence. Recent economic events have created further uncertainty in global financial and equity markets. If the current crisis persists or worsens, it could lead to increased political uncertainty and financial turmoil. Any or all of these market events and conditions may adversely affect our business and industry.

General economic conditions may adversely affect our growth, profitability and ability to obtain financing.

The unprecedented events in global financial markets in the past several years have had a profound impact on the global economy. Many industries, including the gold mining industry, are impacted by these market conditions. Some of the key impacts of the current financial market turmoil include contraction in credit markets resulting in a widening of credit risk, devaluations, high volatility in global equity, commodity, foreign exchange and precious metal markets and a lack of market confidence and liquidity. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect our growth and profitability. A number

of issues related to economic conditions could have a material adverse effect on our financial condition and results of operations, specifically:

- the global credit/liquidity crisis could impact the cost and availability of financing and our overall liquidity;
- the volatility of gold and other metal prices would impact our revenues, profits, losses and cash flow;
- continued recessionary pressures could adversely impact demand for our production;
- volatile energy, commodity and consumables prices and currency exchange rates would impact our production costs; and
- the devaluation and volatility of global stock markets would impact the valuation of our equity and other securities.

Mining is inherently risky and subject to conditions or events beyond our control.

The development and operation of a mine or mine property is inherently dangerous and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome, including:

- unusual or unexpected geological formations;
- metallurgical and other processing problems;
- metal losses;
- environmental hazards;
- power outages;
- labour disruptions;
- industrial accidents;
- periodic interruptions due to inclement or hazardous weather conditions;
- flooding, explosions, fire, rockbursts, cave-ins and landslides;
- mechanical equipment and facility performance problems;
- avalanches; and
- the availability of materials and equipment.

These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties, personal injury or death, including to our employees, environmental damage, delays in mining, increased production costs, asset write downs, monetary losses and possible legal liability. We may not be able to obtain insurance to cover these risks at economically feasible premiums, or at all. Insurance against certain environmental risks, including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from production, is not generally available to companies within the mining industry. We may suffer a material adverse impact on our business if we incur losses related to any significant events that are not covered by our insurance policies.

We cannot provide assurance that we currently hold or will successfully acquire commercially mineable mineral rights.

Exploration for and development of gold properties involves significant financial risks which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of an ore body may result in substantial rewards, few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish mineral reserves by drilling, constructing mining and processing facilities at a site, developing metallurgical processes and extracting gold from ore. We cannot ensure that our current exploration and development programs will result in profitable commercial mining operations.

The economic feasibility of development projects is based upon many factors, including the accuracy of mineral resource and mineral reserve estimates; metallurgical recoveries; capital and operating costs; government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting and environmental management and protection; and gold prices, which are highly volatile. Development projects are also subject to the successful completion of feasibility studies, issuance of necessary governmental permits and availability of adequate financing.

Most exploration projects do not result in the discovery of commercially mineable ore deposits, and no assurance can be given that any anticipated level of recovery of ore reserves, if any, will be realized or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited. Estimates of mineral reserves, mineral resources, mineral deposits and production costs can also be affected by such factors as environmental permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, the metallurgy of the mineralization forming the mineral deposit, unusual or unexpected geological formations and work interruptions. If current exploration programs do not result in the discovery of commercial ore, we may need to write-off part or all of our investment in existing exploration stage properties.

Material changes in ore reserves, if any, grades, stripping ratios or recovery rates may affect the economic viability of any project. Our future growth and productivity will depend, in part, on our ability to develop commercially mineable mineral rights at our existing properties or identify and acquire other commercially mineable mineral rights, and on the costs and results of continued exploration and potential development programs. Mineral exploration is highly speculative in nature and is frequently non-productive. Substantial expenditures are required to:

- establish ore reserves through drilling and metallurgical and other testing techniques;
- determine metal content and metallurgical recovery processes to extract metal from the ore; and
- construct, renovate or expand mining and processing facilities.

In addition, if we discover ore, it would take several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change. As a result of these uncertainties, there can be no assurance that we currently hold or will successfully acquire commercially mineable (or viable) mineral rights.

Suitable infrastructure may not be available or damage to existing infrastructure may occur.

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants for capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploitation or development of our projects. If adequate infrastructure is not available in a timely manner, we cannot assure you that the exploitation or development of our projects will be commenced or completed on a timely basis, or at all, or that the resulting operations will achieve the anticipated production volume, or that the construction costs and operating costs associated with the exploitation and/or development of our projects will not be higher than anticipated. In addition, unusual weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect our operations and profitability.

We are subject to significant governmental regulations.

Our exploration activities are subject to extensive federal, provincial and local laws, regulations and policies governing various matters, including:

- environmental protection;
- the management and use of toxic substances and explosives;
- management of tailings and other wastes;
- the management of natural resources and land;
- the exploration and development of mineral properties;
- mine construction;
- mine production and post-closure reclamation;
- exports;
- price controls;
- taxation and mining royalties;
- labour standards and occupational health and safety, including mine safety; and
- historic and cultural preservation.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures. We may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause us to incur additional expense or capital expenditure restrictions or suspensions of our activities and delays in the exploration and development of our properties.

We require further rights and permits in order to conduct current and anticipated future operations, and delays in obtaining or failure to obtain such rights and permits, or a failure to comply with the terms of any such permits that we have obtained, could adversely affect our business.

Our current and anticipated future operations, including further exploration, development and commencement of production on our mineral properties, require permits from various governmental authorities. Obtaining or renewing governmental permits is a complex and time-consuming process. The duration and success of efforts to obtain and renew permits are contingent upon many variables not within our control. Shortages of personnel in various levels of government could result in delays or inefficiencies. Backlog within permitting agencies affected by the number of other large-scale projects currently in a more advanced stage of development could slow down the review process and adversely effect the permitting timeline of our projects. Negative public and stakeholder opinion is another factor that could affect the permitting timeline. As well, the specific permitting requirements that will ultimately apply to any project are difficult to correctly assess at the exploration and development stage. In addition, our future development plans may require us to obtain the necessary surface rights from the owners of such rights in order to complete the development of our projects.

We cannot provide assurance that all rights and permits that we require for our operations, including any for construction of mining facilities or conduct of mining, will be obtainable or renewable on reasonable terms, or at all. In particular, we will require environmental assessments under federal and provincial legislation and specific permits and authorizations, including for the disposal of tailings from the Brucejack Project into Brucejack Lake. Delays or a failure to obtain such required permits, or the expiry, revocation or failure to comply with the terms of any such permits that we have obtained, would adversely affect our business.

Our activities are subject to environmental laws and regulations that may increase our costs and restrict our operations.

All of our exploration, development and production activities are subject to regulation by governmental agencies under various environmental laws. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Environmental legislation is evolving and the general trend has been towards stricter standards and enforcement, increased fines and penalties for noncompliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on our behalf and may cause material changes or delays in our intended activities. Future changes in these laws or regulations could have a significant adverse impact on some portion of our business, requiring us to re-evaluate those activities at that time.

Environmental hazards may exist on our properties that are unknown to us at the present time and have been caused by previous owners or operators or that may have occurred naturally. We may be liable for remediating such damage.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or be curtailed. Such enforcement actions may include the imposition of corrective measures requiring capital expenditure, installation of new equipment or remedial action.

Compliance with emerging climate change regulations could result in significant costs and the effects of climate change may present physical risks to our operations.

Climate change refers to any changes in climate over time that is directly or indirectly attributable to human activity. This includes changes in weather patterns, frequency of extreme weather events, temperatures, sea levels and water availability. We recognize that climate change is an international and community concern which may affect our business and operations directly or indirectly as described below.

Governments at all levels may be moving towards enacting legislation to address climate change concerns, such as requirements to reduce emission levels and increase energy efficiency. Where legislation has already been enacted, such regulations may become more stringent, which may result in increased costs of compliance. There is no assurance that compliance with such regulations will not have an adverse effect on our results of operations and financial condition.

Extreme weather events (such as increased periods of snow and increased frequency and intensity of storms) have the potential to disrupt our exploration and development plans. Where appropriate, our facilities have developed emergency plans for managing extreme weather conditions; however, extended disruptions could have adverse effects on our results of operations and financial condition.

We may fail to maintain adequate internal control over financial reporting pursuant to the requirements of the Sarbanes-Oxley Act.

During our most recent fiscal year, we documented and tested our internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act (“SOX”). SOX requires an annual assessment by management of the effectiveness of our internal control over financial reporting and, for fiscal years commencing with our fiscal year ended December 31, 2012, an attestation report by our independent auditors addressing the effectiveness of internal control over financial reporting. We may fail to maintain the adequacy of our internal control over financial reporting as such standards are modified, supplemented or amended from time to time, and we may not be able to conclude, on an ongoing basis, that we have effective internal control over financial reporting in accordance with Section 404 of SOX. Our failure to satisfy the requirements of Section 404 of SOX on an ongoing, timely basis could result in the loss of investor confidence in the reliability of our financial statements, which in turn could harm our business and negatively impact the trading price or the market value of our securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. Future acquisitions of companies, if any, may provide us with challenges in implementing the required processes, procedures and controls in our acquired operations. No evaluation can provide complete assurance that our internal control over financial reporting will detect or uncover all failures of persons within our Company to disclose material information otherwise required to be reported. The effectiveness of our processes, procedures and controls could also be limited by simple errors or faulty judgments. In addition, as we continue to expand, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that we continue to monitor our internal control over financial reporting. Although we intend to expend substantial time and incur substantial costs, as necessary, to ensure ongoing compliance, we cannot be certain that we will be successful in complying with Section 404 of SOX.

We are subject to increased regulatory compliance costs relating to the Dodd-Frank Act.

In July 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) was enacted, representing an overhaul of the framework for regulation of U.S. financial markets. The Dodd-Frank Act calls for various regulatory agencies, including the SEC and the Commodities Futures Trading Commission, to establish regulations for implementation of many of the provisions of the Dodd-Frank Act. If we fail to comply with new laws, regulations and standards, regulatory authorities may initiate legal proceedings against us and our business may be harmed. Dodd-Frank also requires companies in the mining industry to disclose in their periodic reports filed with the SEC substantial additional information about safety issues relating to their mining operations. In December 2011, the SEC approved amendments to its rules implementing the mine safety disclosure requirements contained in the Dodd-Frank Act. This heightened scrutiny could generate negative

publicity for the mining industry, increase the cost of compliance with mining regulations or result in the passage of new laws and regulations, any of which could negatively affect our business results. We may also need to incur additional costs and invest additional resources, including management's time, in order to comply with new regulations and additional reporting and disclosure obligations.

We face potential opposition from non-governmental organizations.

In recent years communities and non-governmental organizations ("NGOs") have become more vocal and active with respect to mining activities at or near their communities. These communities and NGOs have taken such actions as road closures, work stoppages, and law suits for damages. These actions relate not only to current activities but often in respect of decades old mining activities by prior owners of mining properties. Such actions by communities and NGOs may have a material adverse effect on our results of operations or financial condition.

There is uncertainty related to unsettled First Nations rights and title in British Columbia and this may create delays in project approval or interruptions in project progress.

The nature and extent of First Nations rights and title remains the subject of active debate, claims and litigation in British Columbia. First Nations in British Columbia have made claims of aboriginal rights and title to substantial portions of land and water in the province, including areas where the Company's operations are situated, creating uncertainty as to the status of competing property rights. The Supreme Court of Canada has held that aboriginal groups may have a spectrum of aboriginal rights in lands that have been traditionally used or occupied by their ancestors. Such aboriginal rights and title are not absolute and may be infringed by government in furtherance of a legislative objective, subject to meeting a justification test. However, decisions of the Supreme Court of Canada and the British Columbia Supreme Court cast doubt on the provincial government's ability to justify infringements of treaty rights and aboriginal title, respectively. The effect of such claims on any particular area of land will not be determinable until the exact nature of historical use, occupancy and rights to such property have been clarified by a decision of the Courts or definition in a treaty. First Nations in the province are seeking settlements including compensation from governments with respect to these claims, and the effect of these claims cannot be estimated at this time. The federal and provincial governments have been seeking to negotiate settlements with aboriginal groups throughout British Columbia in order to resolve many of these claims. Any settlements that may result from these negotiations may involve a combination of cash, resources, grants of conditional rights to undertake traditional pursuits (like hunting, gathering, trapping and fishing) on public lands, and some rights of self-government. The issues surrounding aboriginal title and rights are not likely to be resolved in the near future.

In a landmark decision in 2004, the Supreme Court of Canada determined that there is a duty on government to consult with and, where appropriate, accommodate First Nations where government decisions may impact on claimed, but as yet unproven, aboriginal rights or title. This decision also provided much needed clarification of the duties of consultation and accommodation. This decision was re-enforced in a 2010 decision of the Supreme Court of Canada, in which the Court re-affirmed and re-stated the test for determining when the duty to consult arises. The Court has made clear that third parties are not responsible for consultation or accommodation of aboriginal interests and that this responsibility lies with government. However, government permits, including environmental and mine permits, will not be granted by provincial and federal agencies unless they are satisfied that the duty to consult and accommodate has been fully met. In 2005, the Supreme Court of Canada confirmed that this duty exists with respect to claimed treaty rights.

A portion of the Brucejack Project lies within traditional First Nation territory and in the Nass Area, as defined in the final Agreement between the Nisga'a First Nation and the federal and provincial governments, which came into effect on May 11, 2000 (the "Final Agreement"). However, there may be overlapping claims by other First Nations. Given the unsettled nature of land claims and treaty rights in British Columbia, as well as the rights of the Nisga'a under the Nisga'a Final Agreement, there can be no guarantee that there will not be delays in project approval, unexpected interruptions in project progress, or additional costs to advance the Company's projects.

In order to facilitate mine permitting, construction and the commencement of mining activities, the Company may deem it necessary and prudent to try to obtain the cooperation and approval of the local First Nations groups. Any

cooperation and approval may be predicated on our committing to take measures to limit the adverse impacts on local First Nations groups and ensuring that some of the economic benefits of the construction and mining activity will be enjoyed by the local First Nations groups. There can be no guarantee that any of our efforts to secure such cooperation or approval would be successful or that the assertion of First Nations rights and title, or claims of insufficient consultation or accommodation, will not create delays in project approval or unexpected interruptions in project progress, or result in additional costs to advance our projects.

Our properties may be subject to uncertain title.

We cannot provide assurance that title to our properties will not be challenged. We hold mineral claims which constitute our property holdings. We may not have, or may not be able to obtain, all necessary surface rights to develop a mineral property. Title insurance is generally not available for mineral properties and our ability to ensure that we have obtained a secure claim to individual mining properties may be severely constrained. We have not conducted surveys of all of the claims in which we hold direct or indirect interests. A successful claim contesting our title to a property could cause us to lose our rights to explore and, if warranted, develop that property or undertake or continue production thereon. This could also result in our not being compensated for our prior expenditures relating to such property.

Land reclamation requirements for our exploration properties may be burdensome.

Land reclamation requirements are generally imposed on mineral exploration companies (as well as companies with mining operations) in order to minimize long term effects of land disturbance. Reclamation may include requirements to treat ground and surface water to drinking water standards, control dispersion of potentially deleterious effluent and reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out reclamation obligations imposed on us in connection with exploration, development and production activities, we must allocate financial resources that might otherwise be spent on further exploration and development programs. The actual costs of reclamation and mine closure are uncertain and planned expenditures may differ from the actual expenditures required. Therefore, the amount that we are required to spend may be materially higher than our estimates. Any additional amounts we are required to spend on reclamation and mine closure may have a material adverse effect on our financial performance, financial condition and results of operations.

We may fail to identify attractive acquisition candidates or may fail to successfully integrate acquired material properties.

We may actively pursue the acquisition of exploration, development and production assets consistent with our acquisition and growth strategy. The identification of attractive candidates and integration of acquired properties, assets or entities involve inherent risks, including but not limited to:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential loss of our key employees or key employees of any business acquired;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, companies or securities.

Any one or more of these factors or other risks could cause us not to realize the anticipated benefits of an acquisition of properties or companies, and could have a material adverse effect on our financial condition.

In connection with any future acquisitions, we may incur indebtedness or issue equity securities, resulting in increased interest expense or dilution of the percentage ownership of existing shareholders. Acquisition costs, additional indebtedness or issuances of securities in connection with such acquisitions, may adversely affect the price of our common stock and negatively affect our results of operations.

We may be adversely affected by future fluctuations in foreign exchange rates.

Our potential profitability is exposed to the financial risk related to the fluctuation of foreign exchange rates. The minerals that could be produced from our projects are priced in U.S. dollars but, since our only projects are located in Canada, the majority of our estimated expenditures are in Canadian dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar will have an effect on the potential profitability of our projects and therefore our ability to continue to finance our operations. To the extent that the actual Canadian dollar to U.S. dollar exchange rate is less than or more than the rate estimated in any future development plans, the profitability of our projects will be affected. Accordingly, our prospects may suffer due to adverse currency fluctuations.

High metal prices in recent years have encouraged increased mining exploration, development and construction activity, which has increased demand for, and cost of, exploration, development and construction services and equipment.

The relative strength of metal prices over the past five years has encouraged increases in mining exploration, development and construction activities around the world, which has resulted in increased demand for, and cost of, exploration, development and construction services and equipment. While recent market conditions have had a moderating effect on the costs of such services and equipment, increases in such costs may continue with the resumption of an upward trend in metal prices. Increased demand for services and equipment could result in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and may cause scheduling difficulties due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development and/or construction costs.

The mining industry is very competitive.

We compete with other exploration and producing companies, many of which are better capitalized, have greater financial resources, operational experience and technical capabilities or are further advanced in their development or are significantly larger and have access to greater mineral reserves, for the acquisition of mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel. If we require and are unsuccessful in acquiring additional mineral properties or qualified personnel, we will not be able to grow at the rate we desire, or at all.

Our competitors may be able to devote greater resources to the expansion and efficiency of their operations or respond more quickly to new laws and regulations or emerging technologies than we can. We may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on our business, financial condition or results of operations.

We may experience difficulty attracting and retaining qualified management to grow our business.

We are dependent on the services of key executives and other highly skilled and experienced personnel to advance our corporate objectives as well as the identification of new opportunities for growth and funding. Robert A. Quartermain, Joseph J. Ovsenek, Kenneth McNaughton and Peter de Visser are currently our key executives. It will be necessary for us to recruit additional skilled and experienced management and personnel. Our inability to do so, or the loss of Mr. Quartermain, or any of our key executives, or our inability to attract and retain suitable replacements for such executives or the additional highly skilled employees required for our activities, would have a material adverse effect on our business and financial condition.

Some of our directors and officers have conflicts of interest as a result of their involvement with other natural resource companies.

Certain of our directors and officers also serve as directors or officers, or have significant shareholdings in, other companies involved in natural resource exploration and development or mining-related activities, including, in particular, Silver Standard. To the extent that such other companies may participate in ventures that we may also participate in, or in ventures that we may seek to participate in, our directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In all cases where our

directors and officers have an interest in other companies, such other companies may also compete with us for the acquisition of mineral property investments. Such conflicts of our directors and officers may result in a material and adverse effect on our profitability, results of operation and financial condition. As a result of these conflicts of interest, we may miss the opportunity to participate in certain transactions, which may have a material adverse effect on our financial position.

We may be unable to attract development partners.

The Company may seek to develop some or all of its projects in partnership with one or more third parties in a corporate or contractual joint venture, or otherwise, or to dispose of some part or of its project to another party, retaining a royalty interest therein. The Company may be unable to find such partners or to negotiate satisfactory terms therewith, in which case the Company will be obliged to either postpone development of such project or proceed alone with the costs of further development.

We may be subject to claims and legal proceedings that could materially adversely impact our financial position, financial performance and results of operations.

We may be subject to claims or legal proceedings covering a wide range of matters that arise in the ordinary course of business activities. These matters may result in litigation or unfavorable resolution which could materially adversely impact our financial performance, financial position and results of operations.

Risks Related to the Acquisition

Potential liabilities associated with the Acquisition.

We conducted due diligence with respect to the Brucejack Project and the other Project Assets prior to our acquisition of such assets in December 2010; however, there is no certainty that our due diligence procedures revealed all of the risks and liabilities associated with the Acquisition. Silver Standard provided limited representations in the Acquisition Agreement with respect to the Brucejack Project and other Project Assets and those representations were further limited by time and by the knowledge of the persons giving such representations. Also, under the Acquisition Agreement the Company agreed to assume all environmental liabilities with respect to the Brucejack Project and other Project Assets. There may be material environmental or other material liabilities that we are not aware of and, accordingly, the potential monetary cost of such liabilities is also unknown.

Risks Related to our Securities

Silver Standard owns a significant number of Common Shares and is in a position to influence our governance and operations.

To the best of our knowledge, Silver Standard holds approximately 19.68% of the Company's outstanding Common Shares. For as long as Silver Standard maintains a significant interest in the Company, it may be in a position to affect our governance and operations. Pursuant to the Investor Rights Agreement, Silver Standard is entitled to nominate to serve as members of our Board such number of nominees as is equal to the lesser of (i) one less than the number which constitutes a majority of the Board and (ii) the percentage of the Common Shares held by Silver Standard and securities convertible or exchangeable into Common Shares multiplied by the number of directors comprising the Board (rounded to the nearest whole number of nominees). In addition, Silver Standard may have significant influence over the passage of any resolution of our shareholders (such as would be required, to amend our constating documents or take certain other corporate actions) and may, for all practical purposes, be able to ensure the passages of any such resolution by voting for it or prevent the passage of any such resolution by voting against it. The effect of this influence by Silver Standard may be to limit the price that investors are willing to pay for our Common Shares. In addition, the potential that Silver Standard may sell its Common Shares in the public market (commonly referred to as "market overhang"), as well as any actual sales of such Common Shares in the public market, could adversely affect the market price of the Common Shares.

Future sales or issuances of equity securities could decrease the value of any existing Common Shares, dilute investors' voting power and reduce our earnings per share.

We may sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Common Shares) to finance our operations, exploration, development, acquisitions or other projects. We cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales, including any possible sales by Silver Standard, or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per share.

We do not intend to pay any cash dividends in the foreseeable future.

We have not declared or paid any dividends on our Common Shares. We intend to retain future earnings, if any, to finance the growth and development of our business and do not intend to pay cash dividends on the Common Shares in the foreseeable future. Any return on an investment in the securities will come from the appreciation, if any, in the value of the Common Shares. The payment of future cash dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors. See "Dividend Policy".

We may be treated as a "passive foreign investment company" under the U.S. Internal Revenue Code, which could result in adverse tax consequences for investors in the United States.

Generally unfavourable U.S. federal income tax rules apply to U.S. persons owning stock of a passive foreign investment company (a "PFIC"). A foreign corporation will be considered a PFIC for any taxable year in which (i) 75% or more of its gross income is passive income, or (ii) 50% or more of the average value (or, if elected, the adjusted tax basis) of its assets are considered "passive assets" (generally, assets that generate passive income). The Company believes that it was a PFIC in 2012. We may be treated as a PFIC for U.S. federal income tax purposes in some or all subsequent years. If we were classified as a PFIC for any taxable year during which you hold our equity securities, any gain recognized on the sale of securities and any excess distributions paid on the securities must be ratably allocated to each day in a U.S. taxpayer's holding period for the securities and any excess distributions paid on the securities must be ratably allocated to each day in a U.S. taxpayer's holding period for the securities. The amounts allocated to the taxable year of disposition and to years before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate applicable to ordinary income in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount, calculated as if such tax liability had been due in each such prior year. Investors should consult their own tax advisors as to the tax consequences of an investment in our securities.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

We are not aware of any material legal proceedings to which we are a party or to which our property is subject, nor are we aware that any such proceedings are contemplated. During the last financial year, we have not been subject to any penalties or sanctions imposed by a regulatory body in respect of securities legislation or regulatory requirements or any penalty or sanction that would likely to be considered important to a reasonable investor in making an investment decision. We have not entered into any settlement agreement in respect of securities legislation or regulatory requirements.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than disclosed elsewhere in this AIF, no director, executive officer or shareholder that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates of such persons, has any material interest, direct or indirect, in any transaction which has

materially affected or is reasonably expected to materially affect the Company within the three most recent financial years preceding the date of this AIF.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Our auditors are PricewaterhouseCoopers LLP, Chartered Accountants, having an address at 250 Howe Street, Suite 700, Vancouver, British Columbia, Canada V6C 3S7.

The transfer agent and registrar for the Common Shares in Canada is Computershare Investor Services Inc., at its principal offices in Vancouver, British Columbia and Toronto, Ontario. The transfer agent and registrar for the Common Shares in the United States is Computershare Trust Company, N.A, at its principal offices in Golden, Colorado.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, as of date of this AIF, the only material contracts which the Company has entered into are set out below. Copies of such agreements are available under the Company's profile on SEDAR at www.sedar.com.

1. the Acquisition Agreement; and
2. the Investor Rights Agreement.

INTEREST OF EXPERTS

None of the following companies, partnerships or persons, each of whom are named in this AIF as having prepared reports or having been responsible for reporting exploration results relating to our mineral properties and whose profession or business gives authority to such reports, or any director, officer, partner, or employee thereof, as applicable, received or has received a direct or indirect interest in our property or of any of our associates or affiliates. As at the date hereof, and except as noted below, such persons, and the directors, officers, partners and employees, as applicable, of each of the following companies and partnerships beneficially own, directly or indirectly, in the aggregate, less than one percent of the securities of the Company:

1. Ivor W.O. Jones, M.Sc., CP, FAusIMM
2. Ian I. Chang M.A.Sc., P.Eng.; and
3. Kenneth C. McNaughton, M.A.Sc., P.Eng.

None of such persons, or any director, officer or employee, as applicable, of any such companies or partnerships, has any interest in any securities or other property of the Company or any of our associates or affiliates or is currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any of our associates or affiliates, except for Kenneth C. McNaughton, who is our Vice President and Chief Exploration Officer and who holds 510,500 Common Shares and 1,300,000 options to purchase Common Shares, and Ian I. Chang, who is our Vice President Project Development and who holds 1,720 Common Shares and 355,000 options.

Our auditors, PricewaterhouseCoopers LLP, report that they are independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia and with the rules and regulations of the SEC as at the date of their audit report.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Additional information with respect to directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans is contained in the management information circular for our most recent meeting of shareholders. Additional financial information is provided in the Company's financial statements and MD&A for its most recently completed financial year, also

filed on SEDAR. In addition, copies of these documents may be obtained from the Company by contacting the Company at 1600 – 570 Granville Street, Vancouver, British Columbia V6C 3P1, telephone: (604) 558-1784, fax: (604) 558-4784.

APPENDIX 1

PRETIVM RESOURCES INC. AUDIT COMMITTEE CHARTER

As Adopted by the Board of Directors on December 9, 2010

I. Purpose of Audit Committee of Pretivm Resources Inc. (the “Company”)

The purpose of the Audit Committee (the “Committee”) is to:

- 1 Assist the Board of Directors of the Company (the “Board”) in fulfilling its oversight responsibilities relating to:
 - (a) the quality and integrity of the Company’s financial statements, financial reporting process and systems of internal controls and disclosure controls regarding risk management, finance, accounting, and legal and regulatory compliance;
 - (b) the independence and qualifications of the Company’s independent accountants and review of the audit efforts of the Company’s independent accountants; and
 - (c) the development and implementation of policies and processes regarding corporate governance matters.
- 2 Provide an open avenue of communication between the independent accountants, the Company’s financial and senior management and the Board.
- 3 Prepare any reports required to be prepared by the Committee pursuant to the rules of any stock exchange on which the Company’s shares are listed and pursuant to the rules of any securities commission or other regulatory authority having jurisdiction, whether for inclusion in the Company’s annual proxy statement or otherwise.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section VII below of this Charter.

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits, or to determine that the Company’s financial statements are complete and accurate or are in accordance with generally accepted accounting principles, accounting standards, or applicable laws and regulations. This is the responsibility of management of the Company and the Company’s independent accountants, as well as any advisors employed by the Committee. Because the primary function of the Committee is oversight, the Committee shall be entitled to rely on the expertise, skills and knowledge of management and the Company’s independent accountants and the integrity and accuracy of information provided to the Committee by such persons in carrying out its oversight responsibilities. Nothing in this Charter is intended to change the responsibilities of management and the independent accountants.

II. Composition

The Committee shall be composed of at least three directors, each of whom the Board has determined has no material relationship with the Company which could, in the view of the Board, be reasonably expected to interfere with the exercise of such director’s independent judgement, and who otherwise satisfies the definition of “independent” as set forth by National Instrument 52-110 – Audit Committees (“NI 52-110”) and any other applicable securities laws, rules or requirements of any stock exchange upon which the Company’s securities are listed as in effect from time to time.

All members of the Committee must be financially literate, meaning that he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements or must become. A director committee who is not financially literate may be appointed to the committee provided that such director becomes financially literate within a reasonable period of time following such appointment.

If any member of the Committee ceases to be “independent”, as defined by the applicable securities laws and exchange requirements, including NI 52-110, for reasons outside that member’s reasonable control, that person may remain an audit committee member until the earlier of the next annual meeting of the shareholders or the date that is six months from the occurrence of the event that caused the member to no longer be independent.

III. Authority

The Committee shall have the authority to (i) retain (at the Company’s expense) its own legal counsel, accountants and other advisors that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices and ethical behaviour within the Company. In addition, the Committee shall have the authority to request any officer, director, employee or consultant of the Company, the Company’s outside legal counsel and the independent accountants to meet with the Committee and any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities. Finally, the Board shall adopt resolutions which provide for appropriate funding, as determined by the Committee, for (i) services provided by the independent accountants in rendering or issuing an audit report, (ii) services provided by any adviser employed by the Committee which it believes, in its sole discretion, are needed to carry out its duties and responsibilities, or (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties and responsibilities.

The Committee shall be responsible for establishing procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and (ii) the confidential, anonymous submissions by employees of the Company regarding questionable accounting or auditing matters.

The Committee shall review the reports of the Chief Executive Officer and Chief Financial Officer (in connection with their required certifications for the Company’s filings with the Securities and Exchange Commission) regarding any significant deficiencies or material weaknesses in the design of operation of internal controls and any fraud that involves management or other employees of the Company who have a significant role in managing or implementing the Company’s internal controls. During this review, the Committee should evaluate whether the internal control structure, as created and as implemented, provides reasonable assurances that transactions are recorded as necessary to permit the Company’s external auditors to reconcile the Company’s financial statements in accordance with applicable securities laws.

The Committee, in its capacity as a committee of the Board, is directly responsible for the appointment, compensation, retention and oversight of the work of the independent accountants engaged (including resolution of disagreements between the Company’s management and the independent accountants regarding financial reporting) for the purpose of preparing and issuing an audit report or performing other audit, review or attest services for the Company.

The independent accountants shall submit to the Audit Committee annually a formal written statement delineating all relationships between the independent accountants and the Company and its subsidiaries, addressing the non-audit services provided to the Company or its subsidiaries and the matters set forth in or required by the rules and regulations of all relevant regulatory authorities.

The independent accountants shall submit to the Audit Committee annually a formal written statement of the fees billed for each of the following categories of services rendered by the independent accountants: (i) the audit of the Company’s annual financial statements for the most recent fiscal year and any reviews of the financial statements; (ii) information technology consulting services for the most recent fiscal year, in the aggregate and by each service (and separately identifying fees for such services relating to financial information systems design and implementation); and (iii) all other services rendered by the independent accountants for the most recent fiscal years, in the aggregate and by each service.

IV. Appointing Members

The members of the Committee shall be appointed or re-appointed by the Board on an annual basis. Each member of the Committee shall continue to be a member thereof until such member’s successor is appointed, unless such member shall resign or be removed by the Board or such member shall cease to be a director of the Company.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board and shall be filled by the Board if the membership of the Committee is less than three directors as a result of the vacancy or the Committee no longer has a member who is an “audit committee financial expert” as a result of the vacancy.

V. Chairperson

The Board, or in the event of its failure to do so, the members of the Committee, must appoint a Chairperson from the members of the Committee. If the Chairperson of the Committee is not present at any meeting of the Committee, an acting Chairperson for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chairperson shall refer the matter to the Board. All requests for information from the Company or the independent accountants shall be made through the Chairperson.

VI. Meetings

The time and place of meetings of the Committee and the procedure at such meetings shall be determined from time to time by the members thereof provided that:

- 1 A quorum for meetings shall be two members, present in person or by telephone or other telecommunication device that permit all persons participating in the meeting to speak and hear each other;
- 2 The Committee shall meet at least quarterly (or more frequently as circumstances dictate); and
- 3 Notice of the time and place of every meeting shall be given in writing or facsimile communication to each member of the Committee and the external auditors of the Company at least 48 hours prior to the time of such meeting.

While the Committee is expected to communicate regularly with management, the Committee shall exercise a high degree of independence in establishing its meeting agenda and in carrying out its responsibilities. The Committee shall submit the minutes of all meetings of the Committee to, or discuss the matters discussed at each Committee meeting with, the Board.

VII. Specific Duties

In meeting its responsibilities, the Committee is expected to:

- 1 Select and recommend to the Board the independent accountants for the Company, considering independence and effectiveness, approve all audit and non-audit services in advance of the provision of such services and the fees and other compensation to be paid to the independent accountants, and oversee the services rendered by the independent accountants (including the resolution of disagreements between management and the independent accountants regarding preparation of financial statements) for the purpose of preparing or issuing an audit report or related work, and the independent accountants shall report directly to the Committee;
- 2 To pre-approve any non-audit services to be provided to the Company by the external auditor and the fees for those services;
- 3 Review the performance of the independent accountants, including the lead partner of the independent accountants, and, in its sole discretion, approve any proposed discharge of the independent accountants when circumstances warrant, and appoint any new independent accountants;
- 4 Periodically review and discuss with the independent accountants all significant relationships the independent accountants have with the Company to determine the independence of the independent accountants, including a review of service fees for audit and non-audit services;
- 5 Review and approve the issuer’s hiring policies from time to time regarding partners, employees and former partners and employees of the present and former external auditor of the issuer;
- 6 Inquire of management and the independent accountants and evaluate the effectiveness of the Company’s process for assessing significant risks or exposures and the steps management has taken to monitor, control and minimize such risks to the Company. Obtain annually, in writing, the letters of the independent accountants as to the adequacy of such controls;

- 7 Consider, in consultation with the independent accountants, the audit scope and plan of the independent accountants;
- 8 Review with the independent accountants the coordination of audit effort to assure completeness of coverage, and the effective use of audit resources;
- 9 Consider and review with the independent accountants, out of the presence of management:
 - (a) the adequacy of the Company's internal controls and disclosure controls including the adequacy of computerized information systems and security;
 - (b) the truthfulness and accuracy of the Company's financial statements; and
 - (c) any related significant findings and recommendations of the independent accountants together with management's responses thereto;
- 10 Following completion of the annual audit, review with management and the independent accountants:
 - (a) the Company's annual financial statements and related footnotes;
 - (b) the independent accountants' audit of the financial statements and the report thereon;
 - (c) any significant changes required in the independent accountants' audit plan; and
 - (d) other matters related to the conduct of the audit which are to be communicated to the committee under generally accepted auditing standards;
- 11 Following completion of the annual audit, review separately with each of management and the independent accountants any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- 12 Establish regular and separate systems of reporting to the Committee by each of management and the independent accountants regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments;
- 13 In consultation with the independent accountants, review any significant disagreement among management and the independent accountants in connection with the preparation of the financial statements, including management's responses;
- 14 Consider and review with management:
 - (a) significant findings during the year and management's responses thereto; and
 - (b) any changes required in the planned scope of their audit plan;
- 15 Review, prior to publication, all filings with regulatory authorities and any other publicly disclosed information containing the Company's financial statements, including Management's Discussion & Analysis, any certification, report, opinion or review rendered by the independent accountants, any press releases announcing earnings (especially the use of "pro forma" or "adjusted" information not prepared in compliance with generally accepted accounting principles) and all financial information and earnings guidance intended to be provided to analysts and the public or to rating agencies, and consider whether the information contained in these documents is consistent with the information contained in the financial statements;
- 16 Facilitate the preparation and inclusion of any report from the Committee or other disclosures as required by applicable laws and regulations in the Company's annual proxy statement or other filings of all regulatory authorities having jurisdiction;
- 17 Review with management the adequacy of the insurance and fidelity bond coverages, reported contingent liabilities, and management's assessment of contingency planning. Review management's plans regarding any changes in accounting practices or policies and the financial impact of such changes, any major areas in management's judgment that have a significant effect

upon the financial statements of the Company, and any litigation or claim, including tax assessments, that could have a material effect upon the financial position or operating results of the Company;

- 18 Review with management and the independent accountants each annual, quarterly and other periodic report prior to its filing with the relevant regulators or prior to the release of earnings;
- 19 Review policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent accountants;
- 20 Review, with the Company's counsel, any legal, tax or regulatory matter that may have a material impact on the Company's financial statements, operations, related Company compliance policies, and programs and reports received from regulators;
- 21 Evaluate and review with management the Company's guidelines and policies governing the process of risk assessment and risk management;
- 22 Meet with the independent accountants and management in separate executive sessions to discuss any matters that the Committee or these groups believe should be discussed privately with the Committee;
- 23 Report Committee actions to the Board with such recommendations as the Committee may deem appropriate;
- 24 Maintain, review and update the procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, as set forth in Annex A attached to this Charter;
- 25 Review, assess and update this Charter on an annual basis and recommend any proposed changes to the Board for approval, in accordance with the requirements of the all applicable laws; and
- 26 Perform such other functions consistent with this Charter, the Company's Articles and governing law, as the Committee deems necessary or appropriate.

ANNEX A

**PROCEDURES FOR THE SUBMISSION OF
COMPLAINTS AND CONCERNS REGARDING
ACCOUNTING, INTERNAL ACCOUNTING CONTROLS OR
AUDITING MATTERS**

- 1 Pretivm Resources Inc. (the “Company”) has designated its Audit Committee of its Board of Directors (the “Committee”) to be responsible for administering these procedures for the receipt, retention, and treatment of complaints received by the Company or the Committee directly regarding accounting, internal accounting controls, or auditing matters.
- 2 Any employee or consultant of the Company may on a confidential and anonymous basis submit concerns regarding questionable accounting controls or auditing matters to the Committee by setting forth such concerns in a letter addressed directly to the Committee with a legend on the envelope such as “Confidential” or “To be opened by Committee only”. If an employee or consultant would like to discuss the matter directly with a member of the Committee, the employee or consultant should include a return telephone number in his or her submission to the Committee at which he or she can be contacted. All submissions by letter to the Committee can be sent to:

Pretivm Resources Inc.
c/o Audit Committee
Attn: Chair
Ross Mitchell
- 3 Any complaints received by the Company that are submitted as set forth herein will be forwarded directly to the Committee and will be treated as confidential if so indicated.
- 4 At each meeting of the Committee, or any special meetings called by the Chairperson of the Committee, the members of the Committee will review and consider any complaints or concerns submitted by employees as set forth herein and take any action it deems necessary in order to respond thereto.
- 5 All complaints and concerns submitted as set forth herein will be retained by the Committee for a period of seven (7) years.