



First Mining Finance Corp.

TSX.V: FF
OTCQX: FFMGF
FRANKFURT: FMG

THE BUILDING OF A MINERAL BANK

2017

Management Information
Circular

*Notice of 2017 annual general meeting of
shareholders to be held on June 22, 2017*

Date: May 10, 2017

SUITE 1805 – 925 WEST GEORGIA STREET, VANCOUVER, BRITISH COLUMBIA V6C 3L2

WWW.FIRSTMININGFINANCE.COM | 1-844-306-8827

About First Mining

Headquartered in Vancouver, British Columbia, we are a new “mineral property bank” business concept initiated by our Chairman, Mr. Keith Neumeyer. Our business model is to acquire high-quality mineral assets in geopolitically safe areas of the Americas and either advance them or hold (ie. “bank”) them until a time when capital markets for commodities and mining improves.

At that point we would endeavor to add value for our shareholders, including potentially entering into agreements with other parties who would move the projects forward through development, and we would retain a residual interest in the projects. The residual interests may be in the form of royalties, metal streams, minority interests or equity positions in the party that is moving the project forward.

We are publicly listed on the TSX Venture Exchange (“**TSX-V**”) under the trading symbol “**FF**”, on the Frankfurt Stock Exchange under the symbol “**FMG**” and in the US on the OTC-QX under the trading symbol “**FFMGF**”. Our experienced management team has decades of experience in evaluating, exploring and developing mineral assets.

Since listing on the TSX-V in April 2015, First Mining has completed eight transactions, and as a result we have accumulated approximately 6.8 million ounces of gold Measured and Indicated Resources and approximately 5.0 million ounces of gold Inferred Resources across our entire property portfolio, which comprises of 25 mineral assets in Canada, Mexico and the United States.

Contents

Letter to shareholders	i
Notice of 2017 Annual General Meeting of Shareholders	ii
2017 Management Information Circular	1
Notice & Access Process.....	1
About the Meeting	2
Voting	4
Particulars of the Matters to be Acted Upon.....	9
Statement of Executive Compensation	15
Equity Compensation Plan Information	25
Corporate Governance.....	26
Indebtedness of Directors and Executive Officers.....	33
Management Contracts	33
Additional Information	33
Board Approval	33
Schedule “A” – Audit Committee Charter	A-1
Schedule “B” – Stock Option Plan.....	B-1



First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

Dear Shareholder:

It is my pleasure to invite you to our 2017 annual general meeting of shareholders on Thursday, June 22, 2017 at 10:00 a.m. (Pacific Time) (the “**Meeting**”). The Meeting will be held at the offices of our legal counsel, McCullough O’Connor Irwin LLP, at Suite 2600, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1.

The Meeting is your opportunity to vote on various items of business, meet our board of directors and management team, and hear first-hand about our operations, our performance over the past year and our future plans. Please take some time to read the accompanying management information circular because it includes important information about the Meeting, voting, the nominated directors, our governance practices and how we compensate our executives and directors.

Your vote is very important. You can vote online or by phone, fax, mail, or in person at the Meeting.

If you have any questions and/or need assistance in voting your shares, please contact Derek Iwanaka, our Vice President, Investor Relations, at 1.844.306.8827 or by e-mail: info@firstminingfinance.com.

Thank you for your continued support as we move First Mining forward.

Yours sincerely,

(signed) “Keith Neumeyer”

Keith Neumeyer
Chairman of the Board

Vancouver, British Columbia
May 10, 2017

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First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

Notice of 2017 Annual General Meeting of Shareholders

When

Thursday, June 22, 2017 at 10:00 a.m. (Pacific Time)

Where

At the offices of our legal counsel, McCullough O'Connor Irwin LLP, at Suite 2600, Oceanic Plaza, 1066 West Hastings Street, Vancouver, British Columbia V6E 3X1.

We will cover six items of business at our 2017 annual general meeting (the “**Meeting**”):

1. Receive our audited consolidated financial statements for the financial year ended December 31, 2016 and the auditor’s report thereon;
2. Fix the number of directors to be elected at the Meeting at five;
3. Elect five directors to our Board to hold office for the ensuing year;
4. Re-appoint BDO Canada LLP, Chartered Accountants, as our independent auditor for the ensuing year and authorize our directors to set the auditor’s pay;
5. Confirm our stock option plan, as required annually by the policies of the TSX Venture Exchange; and
6. Transact such other business that is properly brought before the Meeting.

Record date

The record date for the Meeting is May 8, 2017. The record date is the date for the determination of the registered holders of our Common Shares entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement of the Meeting.

Your vote is important

This notice is accompanied by a management information circular (“**Circular**”) and either a form of proxy for registered shareholders or a voting instruction form for beneficial (ie. non-registered) shareholders. If previously requested, a copy of our audited consolidated annual financial statements and management’s discussion and analysis (“**MD&A**”) for the year ended December 31, 2016 will also accompany this notice (collectively, the “**Meeting Materials**”). Copies of our annual and/or interim financial statements and MD&A are also available under our SEDAR profile at www.sedar.com, on our website at www.firstminingfinance.com/investors/reports-filings/financials, or by request made to First Mining Finance Corp.

As described in the notice and access notification that we have mailed to our shareholders, we are using the notice and access method for delivering this notice and the Meeting Materials to our shareholders, which substantially reduces the paper used in printing this notice and the Meeting Materials, as well as printing and mailing costs. This notice and the Meeting Materials will be available on our website at www.firstminingfinance.com/investors/AGM and under our SEDAR profile at www.sedar.com. The Circular contains important information about the Meeting, who can vote and how to vote.

Please read the Circular carefully before voting.



First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

If you will not be attending the meeting in person, we request that you read, date and sign the accompanying proxy and deliver it to our transfer agent, Computershare Investors Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, by 10:00 a.m. (Pacific Time) on Tuesday, June 20, 2017 (or before 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment of the Meeting at which the proxy is to be used), then the shareholder will not be entitled to vote at the Meeting by proxy.

If you would like us to send you a paper copy of the Meeting Materials, please contact Derek Iwanaka, our Vice President, Investor Relations, at 1.844.306.8827 or by e-mail: info@firstminingfinance.com. In order for you to receive the Meeting Materials in advance of the proxy deposit deadline date and the date of the Meeting, we must receive requests for printed copies of the Meeting Materials at least seven business days in advance of the proxy deposit deadline date and time.

BY ORDER OF THE BOARD OF DIRECTORS,

(signed) “Keith Neumeyer”

Keith Neumeyer
Chairman of the Board

Vancouver, British Columbia
May 10, 2017



First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

2017 Management Information Circular

You have received this management information circular (the “**Circular**”) because our records indicate you held common shares (“**Common Shares**”) of First Mining as of the close of business on May 8, 2017 (the “**Record Date**”) and we are sending this Circular to you in connection with the 2017 annual general meeting of our shareholders to be held on June 22, 2017 (the “**Meeting**”).

Throughout this document, the terms *we, us, our, the Company* and *First Mining* mean First Mining Finance Corp. and its subsidiaries, in the context.

We encourage you to vote at the Meeting. On behalf of management of the Company, we will be soliciting votes for this Meeting and any meeting that is reconvened if it is postponed or adjourned. The cost of solicitation will be borne by the Company.

This Circular is dated May 10, 2017. Unless otherwise stated, all information in this Circular is current as of May 10, 2017, and all dollar figures are in Canadian dollars.

The notice and access notification regarding the Meeting is being mailed to you on May 12, 2017 with a proxy or voting instruction form, in accordance with applicable laws.

Notice & Access Process

We are using the notice and access model (“**Notice and Access**”) provided under National Instrument 54–101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of the Notice of Meeting, this Circular, the audited consolidated annual financial statements of First Mining for the year ended December 31, 2016 and the accompanying management’s discussion and analysis thereon (collectively, the “**Meeting Materials**”) to our shareholders for the Meeting. We have adopted the Notice and Access delivery model in order to further our commitment to environmental sustainability and to reduce our printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Meeting Materials, shareholders receive a Notice and Access notification containing details regarding the date, location and purpose of the Meeting, as well as information on how they can access the Meeting Materials electronically. Shareholders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting Materials.

How to request printed Meeting Materials

Shareholders can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year from the date of the filing of this Circular on SEDAR.

Registered shareholders may make their request by contacting Derek Iwanaka, our Vice President, Investor Relations, at 1.844.306.8827 or by e-mail: info@firstminingfinance.com.

Non-registered shareholders may make their request online at www.proxyvote.com or by telephone at 1.877.907.7643 by entering the 16-digit control number located on their voting instruction form and following the instructions provided.

To receive the Meeting Materials in advance of the proxy deposit deadline date and the date of the Meeting, First Mining must receive requests for printed copies of the Meeting Materials at least seven business days in advance of the proxy deposit deadline date and time.

About the Meeting

Items of business

- 1. Receive our audited consolidated annual financial statements for the financial year ended December 31, 2016 and the auditor's report thereon (see page 9).**

Our audited consolidated annual financial statements for the financial year ended December 31, 2016, and the auditor's report thereon are available on our website at www.firstminingfinance.com/investors/reports-filings/financials and under our SEDAR profile at www.sedar.com.

- 2. Fix the number of directors to be elected at the Meeting at five (see page 9).**

Our board of directors (the "Board") currently consists of five directors and we propose to fix the number of directors at five for the ensuing year.

- 3. Elect five directors to our Board to hold office for the ensuing year (see page 9).**

We have nominated the following individuals as directors for the ensuing year:

- Keith Neumeyer
- Michel Bouchard
- Christopher Osterman
- Raymond Polman
- David Shaw

Each of the above director nominees is well qualified to serve on our Board and has expressed his willingness to do so. Our directors are elected for a one-year term, which expires at the end of our 2018 annual general meeting, unless the person ceases to be a director before then.

- 4. Re-appoint BDO Canada LLP, Chartered Accountants, as our independent auditor for the ensuing year and authorize our directors to set the auditor's pay (see page 14).**

We have recommended that BDO Canada LLP ("BDO") be re-appointed as our independent auditor and serve until the end of our 2018 annual general meeting.

- 5. Confirm our stock option plan, as required annually by the policies of the TSX Venture Exchange (see page 14).**

As we have a "rolling" stock option plan, under the rules and policies of the TSX Venture Exchange (the "TSX-V"), we are required to approve our stock option plan on an annual basis, and we have recommended that our stock option plan be approved.

Our transfer agent and registrar is Computershare Investor Services Inc. ("Computershare"). They will act as scrutineer of the Meeting and are be responsible for counting the votes on our behalf.

5. Transact such other business that is properly brought before the Meeting (see page 14).

We'll also consider other matters that properly come before the Meeting. As of the date of this Circular, we are not aware of any other items of business to be considered at the Meeting, other than as set forth above.

Quorum and approval

We need a quorum of shareholders to transact business at the Meeting. Under our articles, a quorum is two or more persons who are, or represent by proxy, shareholders holding, in the aggregate, at least 5% of the Common Shares entitled to be voted at the Meeting.

We require a simple majority (50% plus 1) of the votes cast at the Meeting to approve all items of business, unless otherwise stated.

Record date

We have fixed May 8, 2017 as the Record Date for determining the registered shareholders who will be entitled to notice of the Meeting, and any adjournment or postponement of the Meeting, and who will be entitled to vote at the Meeting.

Shares and outstanding principal holders

Our authorized capital consists of an unlimited number of Common Shares without par value, each carrying the right to one vote. On a vote by show of hands, every person present who is a shareholder or proxyholder and entitled to vote on the matter has one vote and, on a poll, every shareholder entitled to vote on the matter has one vote in respect of each Common Share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

We had a total of 543,995,038 Common Shares outstanding at the close of business on the Record Date.

To the knowledge of our directors and executive officers, the following persons or companies beneficially own, or control or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares as of the Record Date:

Name of shareholder	Number of Common Shares	Percentage of issued and outstanding Common Shares
VanEck Vectors Junior Gold Miners Exchange Traded Fund	76,649,735	14.1%

Our Common Shares are listed on:

- the TSX-V under the symbol "FF";
- the US OTC-QX market under the symbol "FFMGF"; and
- the Frankfurt Stock Exchange under the symbol "FMG".

Interest of certain persons in matters to be acted upon

Other than as described elsewhere in this Circular, none of the following individuals has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the appointment of the independent auditor and the confirmation of the Stock Option Plan:

- each person who has been a director or executive officer of the Company at any time since January 1, 2016;
- the nominees for director; or
- any associate or affiliate of any of the above.

Interest of informed persons in material transactions

We are not aware of any informed person (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) of the Company, or any proposed director, or any associate or affiliate of the foregoing, who has a direct or indirect material interest in any transaction we entered into since January 1, 2016 or any proposed transaction, which has materially affected or would materially affect the Company or its subsidiaries.

Voting

Who can vote?

You are entitled to receive notice of and vote at the Meeting if you held Common Shares as of the close of business on May 8, 2017, the Record Date for the Meeting.

How to vote?

You can vote by proxy or you can attend the Meeting and vote your Common Shares in person.

Voting by proxy is the easiest way to vote because you're appointing someone else (called your proxyholder) to attend the Meeting and vote your Common Shares for you.

There are different ways to submit your voting instructions, depending on whether you are a registered or non-registered shareholder.

Registered Shareholders

You are a registered shareholder if you hold a share certificate in your name.

Voting by proxy

Keith Neumeyer, Chairman of the Board, or failing him, Patrick Donnelly, President, have agreed to act as the First Mining proxyholders.

You can appoint someone other than First Mining's proxyholders to represent you at the Meeting and vote on your behalf. If you want to appoint someone else, print the name of the person you want as your proxyholder in the space provided on the enclosed proxy form. This person need not be a shareholder.

Your proxyholder must vote your Common Shares or withhold your vote, as applicable, according to your instructions on any ballot that may be called for and, if you specify a choice on any matter to be acted upon, your Common Shares will be voted accordingly. If there are other items of business that properly come before the Meeting, or amendments or variations to the items of business, your proxyholder has the discretion to vote as he or she sees fit.

If you appoint the First Mining proxyholders but do not tell them how to vote your Common Shares, your Common Shares will be voted as follows:

If you appoint the First Mining proxyholders but do not tell them how to vote your Common Shares, your Common Shares will be voted as follows:

- **FOR** fixing the number of directors at five;
- **FOR** electing the five nominated directors listed on the proxy form and in this Circular;
- **FOR** re-appointing BDO as the independent auditor and **FOR** authorizing the Board to set the auditor's pay; and
- **FOR** approving the Stock Option Plan.

This is consistent with the voting recommendations by management and the Board. **If there are other items of business that properly come before the Meeting, or amendments or variations to the items of business, the First Mining proxyholders will vote according to management's recommendation.**

If you appoint someone other than the First Mining proxyholders to be your proxyholder, that person must attend and vote at the Meeting for your vote to be counted.

A proxy will not be valid unless it is signed by the registered shareholder, or by the registered shareholders' attorney with proof that they are authorized to sign. If you represent a registered shareholder who is a corporation or association, your proxy should have the seal of the corporation or association, and must be executed by an officer or an attorney who has written authorization. If you execute a proxy as an attorney for an individual registered shareholder, or as an officer or attorney of a registered shareholder who is a corporation or association, you must include the original or a notarized copy of the written authorization for the officer or attorney, with your proxy form.

If you are voting by proxy, you may vote:

- on the internet
- by telephone;
- by fax; or
- by mail.

The voting process is different depending on whether you are a registered or non-registered shareholder.

You're a registered shareholder if your name appears on your share certificate.

You're a non-registered shareholder if your bank, trust company, securities broker, trustee or other financial institution holds your Common Shares (your *nominee*). This means the Common Shares are registered in your nominee's name, and you are the *beneficial* shareholder.

Computershare must receive your proxy by 10:00 a.m. (Pacific Time) on June 20, 2017 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the province of British Columbia) prior to the time set for any adjournment or postponement of the Meeting. The chairman of the Meeting has the discretion to accept late proxy forms without notice.

Voting your proxy using the internet

This is the most efficient and convenient way to vote your Common Shares.

Go to www.investorvote.com and follow the instructions on the screen. You will need to input your 15-digit control number, which appears on the first page of your proxy form.

Voting your proxy by telephone

You may vote your Common Shares using the telephone by dialling the following toll-free number from a touch tone telephone: 1.866.732.8683. If you vote using the telephone, you will need your 15-digit control number, which appears on the first page of your proxy form.

Voting your proxy by fax or mail

Complete your proxy form, including the section on declaration of residency, sign and date it, and send it to Computershare by fax to 1.866.249.7775 (within North America) or 1.416.263.9524 (outside North America) or mail it to:

Computershare Investor Services Inc.
Attention: Proxy Department
100 University Avenue 8th Floor
Toronto, ON M5J 2Y1

Attending the Meeting and voting in person

If you will be attending the Meeting in person, do not complete the enclosed proxy form. Instead, simply register with a representative from Computershare when you arrive at the Meeting.

Non-Registered Shareholders

Only registered shareholders of First Mining, or the persons they appoint as their proxyholders, are permitted to vote at the Meeting. Most shareholders of First Mining are non-registered shareholders because the Common Shares they own are not registered in their names. Common Shares beneficially owned by a non-registered shareholder are registered either:

- (i) in the name of an intermediary (“**Intermediary**”) that the non-registered shareholder deals with in respect of the non-registered shareholder’s Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or
- (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust & Clearing Corporation) of which the Intermediary is a participant.

In accordance with applicable securities law requirements, First Mining has distributed copies of the

Notice and Access notification, the Meeting Materials and the form of proxy (which includes a place to request copies of this Circular and annual and/or interim financial statements and MD&A or to waive the receipt of such documents) to the Intermediaries and clearing agencies for distribution to non-registered shareholders.

Intermediaries are required to forward the Notice and Access notification to non-registered shareholders unless a non-registered shareholder has requested paper copies (in which case the Intermediary will forward the Meeting Materials to the non-registered shareholder). Intermediaries often use service companies to forward the Notice and Access notification and Meeting Materials to non-registered shareholders.

Voting using the voting instruction form or proxy form

Generally non-registered shareholders who have not waived the right to receive the Meeting Materials will either:

- (i) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the non-registered shareholder and returned to the Intermediary or its service company, will constitute your voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one or two page pre-printed form; or
- (ii) be given a proxy form **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the non-registered shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the non-registered shareholder when submitting the proxy.

In either case, the purpose of these procedures is to enable non-registered shareholders to direct the voting of the Common Shares of First Mining that they beneficially own.

If you do not plan to attend the Meeting and vote in person, **carefully follow the instructions of your Intermediary in order to submit the voting instructions for your Common Shares, including those regarding when and where the completed voting instruction form or proxy form (as applicable) is to be delivered.**

Your Intermediary may have also provided you with the option of voting by telephone or fax or through the internet.

Attending the Meeting and voting in person

If you wish to vote in person at the Meeting, insert your name in the space provided for the proxyholder appointment in the voting instruction form or proxy form (as applicable), and return it as instructed by your Intermediary. Do not complete the voting section of the voting information form or proxy form, since you will vote in person at the Meeting.

Your Intermediary may have also provided you with the option of appointing yourself or someone else to attend and vote on your behalf at the Meeting through the internet. When you arrive at the Meeting, make sure you register with a representative from Computershare so your voting instructions can be taken at the Meeting.

Your Intermediary must receive your voting instructions in sufficient time for your Intermediary to act on them. Computershare must receive proxy vote instructions from your Intermediary by no later than 10:00 a.m. (Pacific Time) on June 20, 2017, or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for any adjournment or postponement of the Meeting.

How to change your vote?

The process for changing your vote after it has been submitted differs for registered and non-registered shareholders.

Registered Shareholders

You can revoke your proxy by sending a new completed proxy form with a later date, or a written notice of revocation signed by you, or by your attorney if he or she has your written authorization. You can also revoke your proxy in any manner permitted by law.

If you represent a registered shareholder who is a corporation or association, your written notice of revocation must have the seal of the corporation or association, and must be executed by an officer or an attorney who has their written authorization. The written authorization must accompany the written notice of revocation.

We must receive the written notice of revocation any time up to and including the last business day before the day of the Meeting, or the day the Meeting is reconvened if it was postponed or adjourned.

Send the signed written notice to:

First Mining Finance Corp.
Suite 1805 – 925 West Georgia Street
Vancouver, British Columbia V6C 3L2
Attention: Samir Patel, Corporate Counsel and Corporate Secretary

You can also give your written notice to the chairman of the Meeting on the day of the Meeting. If the Meeting has already started, your new voting instructions can only be executed for items that have not yet been voted on.

If you've sent in your completed proxy form and since decided that you want to attend the Meeting and vote in person, you need to revoke the proxy form before you are able to vote at the Meeting.

Non-Registered Shareholders

You can revoke your prior voting instructions by providing new instructions on a voting instruction form or proxy form with a later date, or at a later time in the case of voting by telephone or through the internet, provided that your new instructions are received by your Intermediary in sufficient time for your Intermediary to act on them before 10:00 a.m. (Pacific Time) on June 20, 2017 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for any adjournment or postponement of the Meeting.

Who processes the votes?

Our transfer agent, Computershare, or its authorized agents count and tabulate the votes on our behalf.

Particulars of the Matters to be Acted Upon

1. Receipt of audited consolidated financial statements

Our audited consolidated annual financial statements for the financial year ended December 31, 2016, and the auditor's report thereon will be presented to the Meeting. A copy is available on our website at www.firstminingfinance.com/investors/reports-filings/financials and under our SEDAR profile at www.sedar.com.

The audited consolidated annual financial statements, auditor's report thereon and management's discussion and analysis ("MD&A") for the financial year ended December 31, 2016 have been mailed to registered shareholders who have indicated to us that they wish to receive these documents.

2. Fix the number of directors to be elected at the Meeting at five

Our Board presently consists of five directors and we propose to fix the number of directors at five for the ensuing year. If there are more nominees for election than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected until all such vacancies have been filled.

In the absence of instructions to the contrary, the First Mining proxyholders will vote the Common Shares represented by each form of proxy, properly executed, FOR fixing the number of directors at five for the ensuing year.

3. Election of directors for the ensuing year

We have nominated the five current directors of the Company as the five individuals to stand for re-election as directors, based on their mix of skills and experience that we believe are necessary to effectively fulfill the Board's duties and responsibilities.

Each of our directors is elected annually and holds office until the end of the next annual general meeting of shareholders, unless that person ceases to be a director before then. Each of the nominated directors has confirmed his willingness to serve on the Board for the next year.

In the absence of instructions to the contrary, the First Mining proxyholders will vote the Common Shares represented by each form of proxy, properly executed, FOR the five nominees for director listed in this Circular.

Advance Notice Provisions

Pursuant to Article 14.2 of First Mining's Articles, any additional director nominations for an annual general meeting must be received by the Company, not less than 30 nor more than 65 days prior to the date of the meeting. Unless nominations are received in accordance with our Articles by May 22, 2017, being the date which is 30 days prior to the Meeting, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

About the Nominated Directors

The following three pages provide information on the five director nominees as of the date of this Circular, including:

- their province or state and country of residence;
- their position with the Company;
- the period or periods during which each has served as a director of the Company;
- their membership on committees of the Board;
- their principal occupation, business or employment; and
- the current equity ownership consisting of Common Shares beneficially owned, or controlled or directed, directly or indirectly, of each director and of each director's associates or affiliates (this information has been provided to us by the nominees themselves).

Director	Board committees	Principal occupation or employment for past five years	
	Audit Committee Compensation Committee Corporate Governance Committee	Director and Chairman of First Mining since March 2015 November 2001 to present – Founder, President and Chief Executive Officer, First Majestic Silver Corp. (mining company) December 1998 to present – Director, First Majestic Silver Corp. (mining company)	
Keith Neumeyer Zug, Switzerland			
Chairman since March 30, 2015			
<i>Ownership of Securities:</i>	<i>10,305,313 shares</i>	<i>356,129 warrants</i>	<i>5,190,000 options</i>

Director	Board committees	Principal occupation or employment for past five years
 <p>Michel Bouchard Québec, Canada</p> <p>Director since April 8, 2016</p>	<p>Compensation Committee (chair)</p>	<p>Director of First Mining since April 2016</p> <p>September 2016 to present – Director, SIRIOS Resources Inc. (mining company)</p> <p>July 2016 to present – Chairman, Monarques Gold Corp. (mining company)</p> <p>May 2013 to present – Director, Cartier Resources Inc. (mining company)</p> <p>November 2011 to April 2016 – President, Chief Executive Officer and a Director of Clifton Star Resources Inc. (mining company)</p> <p>May 2009 to November 2011 – Vice-President, Exploration and Development at North American Palladium Ltd. (mining company)</p>
<i>Ownership of Securities:</i>	<i>304,000 shares</i>	<i>15,000 warrants</i> <i>1,349,000 options</i>

Director	Board committees	Principal occupation or employment for past five years
 <p>Chris Osterman, Ph.D. Tucson, Arizona USA</p> <p>Director since March 30, 2015</p>	<p>None</p>	<p>Director and Chief Executive Officer of First Mining since March 2015</p> <p>September 2011 to March 2015 – Chief Executive Officer, Sundance Minerals Ltd. (private mining company)</p> <p>April 2007 to March 2015 – President, Sundance Minerals Ltd. (private mining company)</p>
<i>Ownership of Securities:</i>	<i>1,760,084 shares</i>	<i>8,500 warrants</i> <i>5,265,000 options</i>

Director	Board committees	Principal occupation or employment for past five years	
	<p>Audit Committee (chair)</p> <p>Compensation Committee</p> <p>Corporate Governance Committee</p>	<p>Director of First Mining since March 2015</p> <p>February 2007 to present – Chief Financial Officer of First Majestic Silver Corp. (mining company)</p>	
<p>Raymond L. Polman, CPA, CA Vancouver, British Columbia, Canada</p>			
<p>Director since March 30, 2015</p>			
<p><i>Ownership of Securities:</i></p>	<p><i>333,333 shares</i></p>	<p><i>NIL warrants</i></p>	<p><i>1,125,000 options</i></p>
Director	Board committees	Principal occupation or employment for past five years	
	<p>Audit Committee</p> <p>Compensation Committee</p> <p>Corporate Governance Committee (chair)</p>	<p>Director of First Mining since March 2015</p> <p>June 2014 to present – Director of Medallion Resources Ltd. (mining company)</p> <p>December 2010 to present – Director of Great Quest Fertilizer Ltd. (mining company)</p> <p>January 2005 to present – Director, First Majestic Silver Corp. (mining company)</p> <p>June 2000 to present – President of Duckmanton Partners Ltd. (consulting business)</p> <p>November 2013 to July 2014 – Director of Global Strategic Metals NL (capital pool company)</p> <p>September 2010 to March 2013 – Director of Talison Lithium Inc. (mining company)</p> <p>April 2005 to March 2015 – President and Director of Albion Petroleum Ltd. (capital pool company)</p>	
<p>David Shaw, Ph.D. Vancouver, British Columbia, Canada</p>			
<p>Director since March 30, 2015 (Director of the predecessor company, Albion Petroleum Ltd., since April 5, 2005)</p>			
<p><i>Ownership of Securities:</i></p>	<p><i>713,250 shares</i></p>	<p><i>50,000 warrants</i></p>	<p><i>1,025,000 options</i></p>

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies, Penalties or Sanctions

No proposed director:

- is, as of the date of this Circular, or has been within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including ours) that: (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “**order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the proposed director 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;
- is, as of the date of this Circular, or has been within 10 years before the date of this Circular, 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
- has within 10 years before the date of this Circular, 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 the proposed director.

None of the proposed directors:

- has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority;
- has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director; or
- has entered into a settlement agreement with any securities regulatory authority.

Skills and Experience

We believe that it is important for directors to have experience in senior management, governance, compensation, finance, environment, health and safety, and to participate with public company boards as an advisor, director or member of management to effectively fulfill their duties and responsibilities as a member of our Board.

The Board reviews the slate of nominated directors every year to determine whether it still reflects the mix of skills, background and experience it believes is necessary for fulfilling its duties and responsibilities in overseeing First Mining's strategic direction, management and affairs.

We believe that the directors who have been nominated for election at the Meeting are well qualified to represent the interests of shareholders and appropriately address our business needs, and **we recommend that shareholders vote FOR the five director nominees set out herein.**

4. Appointment of auditor

BDO has been our external auditor since April 13, 2015.

In the absence of instructions to the contrary, the First Mining proxyholders will vote the Common Shares represented by each form of proxy, properly executed, FOR re-appointing BDO as our independent auditor for the ensuing year, and FOR authorizing the directors to fix the auditor's pay.

5. Confirmation of stock option plan

At the Meeting, our shareholders will be asked to confirm their approval of First Mining's Stock Option Plan which was initially adopted by the Board on June 21, 2013. There have been no changes to the Stock Option Plan since it was adopted by the Board.

Shareholders should refer to the section of this Circular entitled "Incentive Plan Awards" for a brief description of the Stock Option Plan, which is qualified in its entirety by the full text of the Stock Option Plan, which is attached as Schedule "B" to this Circular.

As our Stock Option Plan has a "rolling" 10% maximum, under the policies contained in the TSX-V's Corporate Finance Manual (the "**Manual**"), it is subject to acceptance by the TSX-V on an annual basis, and it also must be confirmed by our shareholders at each annual general meeting.

Accordingly, at the Meeting, shareholders will be asked to pass the following resolution:

"IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed."

6. Other business

As of the date of this Circular, we are not aware of any other items of business to be considered at the Meeting other than as set forth above. If other items of business are properly brought before the Meeting, the First Mining proxyholders intend to vote on such items in accordance with management's recommendation.

Statement of Executive Compensation

Named executive officers

During our most recently completed financial year, we had five Named Executive Officers (“NEOs”) being Chris Osterman, the Chief Executive Officer (the “CEO”), Patrick Donnelly, the President, Andrew Marshall, the Chief Financial Officer (the “CFO”), Raul Diaz, Exploration Manager, Latin America, and Andrew Poon, our former Chief Financial Officer (“Former CFO”).

“Named Executive Officer” or “NEO” means: (a) each CEO; (b) each CFO; (c) each of the three most highly compensated executive officers of the company; including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of our most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

Compensation discussion and analysis

In 2005, First Mining completed its initial public offering (“IPO”) and listing on the TSX-V as a Capital Pool Company (a “CPC”) as defined in Policy 2.4 of the Manual. The net proceeds of our IPO and the funds received on incorporation were aimed towards the identification and evaluation of business assets with a view to completing a potential Qualifying Transaction, as defined in the Manual. Executives of CPCs are not permitted to be compensated beyond the grant of stock options. On March 30, 2015, we acquired all of the issued and outstanding shares of KCP Minerals Inc. (formerly Sundance Minerals Ltd.) (the “Sundance Acquisition”). The Sundance Acquisition constituted First Mining’s Qualifying Transaction. Accordingly, prior to March 30, 2015, no compensation other than the issuance of stock options was paid to our directors or officers. In connection with the completion of the Sundance Acquisition, on March 30, 2015, the Company’s former officers and board of directors resigned, other than David Shaw who remains a director.

Our Board’s compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, an NEO’s compensation is comprised of salary and/or contractor payments, performance-based bonuses and stock option grants.

The objectives and reasons for this system of compensation are generally to allow First Mining to remain competitive compared to its peers in attracting and retaining experienced personnel. All salaries and/or consulting fees are to be set on a basis of a review and comparison of compensation paid to executives at similar companies.

Neither the Board nor our Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with our compensation policies and practices. Our Board considers risk management when implementing First Mining’s compensation program, and the Board and the

Compensation Committee do not believe that our compensation program results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on First Mining.

Our NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-based and option-based awards

We do not currently grant share-based awards. Our Board is responsible for granting options to the NEOs. Stock option grants are designed to reward our NEOs for success on a similar basis as our shareholders, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to First Mining's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating our officers, directors and employees and to closely align the personal interest of such persons to the interests of our shareholders.

The exercise price of stock options granted under our Stock Option Plan is generally determined by the market price of our Common Shares at the time of grant, less any discount allowed under the Manual.

Compensation governance

The compensation committee of the Board (the "**Compensation Committee**") consists of three members: Michel Bouchard (the current Chairperson of the Compensation Committee), Keith Neumeyer and David Shaw, all of whom are considered independent. The Compensation Committee, on behalf of the Board, monitors the compensation of our executive officers.

The following summary describes the mandate and responsibilities of our Compensation Committee as it relates to NEO compensation:

- (a) to review and approve corporate goals and objectives relevant to NEO compensation, including the evaluation and performance of the CEO in light of those corporate goals and objectives, and to make recommendations to the Board with respect to NEO compensation levels (including the award of any cash bonuses or share ownership opportunities);
- (b) to consider the implementation of short and long-term incentive plans, including equity-based plans, proposed by management, to make recommendations to the Board with respect to these plans and to annually review such plans after their implementation; and
- (c) to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation.

All members of the Compensation Committee have direct experience which is relevant to their responsibilities as Compensation Committee members. All members are or have held senior executive

roles within public companies, and therefore have a good understanding of compensation programs. They also have good financial understanding which allows them to assess the costs versus benefits of compensation plans. The members' combined experience in the resource sector provides them with the understanding of First Mining's success factors and risks, which is very important when determining metrics for measuring success.

Summary compensation table

The following table contains a summary of the compensation paid or accrued to our NEOs and former NEOs during First Mining's three most recently completed financial years:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive plans	Long-term incentive plans			
Chris Osterman <i>CEO and Director</i>	2016	\$220,248 ⁽²⁾	N/A	\$1,100,000	N/A	N/A	N/A	Nil	\$1,320,248
	2015	\$208,590 ⁽³⁾	N/A	\$193,000	N/A	N/A	N/A	\$134,077 ⁽³⁾	\$535,667
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Patrick Donnelly <i>President</i>	2016	\$200,000	N/A	\$1,100,000	N/A	N/A	N/A	Nil	\$1,300,000
	2015	\$158,872	N/A	\$193,000	N/A	N/A	N/A	Nil	\$351,872
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Andrew Marshall <i>CFO</i> ⁽⁴⁾	2016	\$116,667	N/A	\$132,000	N/A	N/A	N/A	Nil	\$248,667
	2015	\$54,872	N/A	\$44,800	N/A	N/A	N/A	Nil	\$99,672
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Raul Diaz <i>Exploration Manager, Latin America</i> ⁽⁵⁾	2016	\$123,648 ⁽⁶⁾	N/A	\$44,000	N/A	N/A	N/A	Nil	\$167,648
	2015	\$239,047 ⁽⁷⁾	N/A	\$79,500	N/A	N/A	N/A	\$89,881 ⁽⁷⁾	\$408,428
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Andrew Poon <i>Former CFO</i> ⁽⁸⁾	2016	Nil	N/A	\$154,000	N/A	N/A	N/A	\$103,864 ⁽⁹⁾	\$257,864
	2015	Nil	N/A	\$129,000	N/A	N/A	N/A	N/A	\$129,000
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

(1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following weighted

average assumptions:

	<u>2016</u>	<u>2015</u>
Risk-free interest rate:	1.38%	1.43%
Expected dividend yield:	Nil	Nil
Expected volatility:	71.40%	88.98%
Expected life of option:	5 years	5 years

We have chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in our annual audited consolidated financial statements.

- (2) During 2016, Mr. Osterman received compensation of US\$166,250 related to salary. This amount was translated into Canadian Dollars at an average 2016 exchange rate of \$1.3248 US\$/CAD\$, per the Bank of Canada.
- (3) During 2015, Mr. Osterman received compensation of US\$118,000 related to salary, US\$45,118 relating to prior period accrued salary and US\$104,849 in share-for-debt settlement of additional accrued salary amounts upon the RTO of Sundance Minerals Inc. These amounts were translated into Canadian Dollars at an average 2015 exchange rate of \$1.2788 US\$/CAD\$, per the Bank of Canada.
- (4) Mr. Marshall was appointed as Chief Financial Officer of the Company on September 26, 2016. Prior to that date, he had been the Company's Controller since June 9, 2015.
- (5) On June 16, 2016, Mr. Diaz's position changed from Vice President, Exploration, to Exploration Manager, Latin America. The Company remunerates Mr. Diaz pursuant to a consulting agreement.
- (6) During 2016, Mr. Diaz received compensation of US\$93,333 related to salary. This amount was translated into Canadian Dollars at an average 2016 exchange rate of \$1.3248 US\$/CAD\$, per the Bank of Canada.
- (7) During 2015, Mr. Diaz received compensation of US\$74,000 related to salary, US\$112,935 relating to prior period accrued salary and US\$70,287 in share-for-debt settlement of additional accrued salary amounts upon the RTO of Sundance Minerals Inc. These amounts were translated into Canadian Dollars at an average 2015 exchange rate of \$1.2788 US\$/CAD\$, per the Bank of Canada.
- (8) Mr. Poon is an employee of First Majestic Silver Corp. and he did not receive a salary whilst he acted as Chief Financial Officer of the Company (he resigned as the Company's Chief Financial Officer on September 26, 2016. See the disclosure below under the heading "Services Agreement with First Majestic Silver Corp.")
- (9) This compensation was paid to Mr. Poon for the consulting services that he provided to the Company when he fulfilled the role of the Company's CFO between March 2015 and September 2016.

Narrative discussion

Employment Agreement with Chris Osterman

Pursuant to an employment agreement dated July 1, 2014 entered into between Chris Osterman and KCP Minerals Inc. (formerly Sundance Minerals Ltd.) (the "**Osterman Agreement**"), Mr. Osterman was entitled to receive US\$75,000 per year in salary. The Osterman Agreement was amended on April 1, 2015 to increase Mr. Osterman's salary to US\$150,000 per year, and it was further amended in June 2016 to increase Mr. Osterman's salary to the current level of US\$180,000 per year. The Company may terminate the Osterman Agreement at any time, without cause, upon three months' notice. If there is a Change of Control (as defined in the Osterman Agreement) and Mr. Osterman is terminated for a reason other than cause, the Company shall pay Mr. Osterman a lump sum equal to one year's base salary.

Employment Agreement with Patrick Donnelly

Pursuant to an employment agreement dated January 5, 2015 entered into between Patrick Donnelly and KCP Minerals Inc. (formerly Sundance Minerals Ltd.) (the "**Donnelly Agreement**"), Mr. Donnelly received \$160,000 per year in salary for the fiscal year ended December 31, 2015. The Donnelly

Agreement was amended in January 2016 to increase Mr. Donnelly's salary to \$182,000 per year, and it was further amended in June 2016 to increase Mr. Donnelly's salary to the current level of \$220,000 per year. The Company may terminate the Donnelly Agreement at any time, without cause, upon one month's notice. If there is a Change of Control (as defined in the Donnelly Agreement) and Mr. Donnelly is terminated for a reason other than cause, the Company shall pay Mr. Donnelly a lump sum equal to one year's base salary.

Employment Agreement with Andrew Marshall

Pursuant to an employment agreement dated May 29, 2015 entered into between Andrew Marshall and First Mining and (the "**Marshall Agreement**"), Mr. Marshall received \$100,000 per year in salary for the fiscal year ended December 31, 2015. The Marshall Agreement was amended in June 2016 to increase Mr. Marshall's salary to \$120,000 per year, and, in connection with Mr. Marshall becoming our Chief Financial Officer, the Marshall Agreement was further amended in September 2016 to increase Mr. Marshall's salary to the current level of \$140,000 per year. The Company may terminate the Marshall Agreement at any time, without cause, upon one month's notice. If there is a Change of Control (as defined in the Marshall Agreement) and Mr. Marshall is terminated for a reason other than cause, the Company shall pay Mr. Marshall a lump sum equal to one year of his base salary.

Employment Agreement with Raul Diaz

Pursuant to an employment agreement dated September 20, 2014 entered into between Raul Diaz and KCP Minerals Inc. (formerly Sundance Minerals Ltd.) (the "**Diaz Agreement**"), Mr. Diaz was entitled to receive US\$70,000 per year in salary. The Diaz Agreement was amended on April 1, 2015 to increase Mr. Diaz's salary to US\$140,000 per year. In June 2016, when Mr. Diaz resigned from the Board and his position changed to Exploration Manager, Latin America, the Diaz Agreement was further amended to reduce Mr. Diaz's salary to the current level of US\$5,000 per month. The Company may terminate the Diaz Agreement at any time, without cause, upon three months' notice. If there is a Change of Control (as defined in the Diaz Agreement) and Mr. Diaz is terminated for a reason other than cause, the Company shall pay Mr. Diaz a lump sum equal to one year's base salary.

Services Agreement with First Majestic Silver Corp.

Pursuant to an agreement entered into between First Majestic Silver Corp. ("**First Majestic**") and KCP Minerals Inc. (formerly Sundance Minerals Ltd.), the Company paid First Majestic a monthly fee of US\$7,500 in exchange for the services of two individuals, who are employees of First Majestic, to assist with the functions of the Company's CFO and Corporate Secretary, as well as for office space, office supplies and other administrative assistance. The agreement was amended on January 1, 2016 to the current fee of \$9,000 per month plus an additional \$4,500 per month for leasehold improvements. Two of the Company's directors are also directors of First Majestic.

Stock Options

Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple "in-the-money" value calculation. In fact, stock options that are well out-of-the-money can still have a significant "grant date fair value" based on a Black-Scholes option pricing model, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash

compensation or an in-the-money option value calculation.

Incentive plan awards

Outstanding Share-Based Awards and Option-Based Awards

To date, none of our NEOs have been granted any share-based awards by the Company. The following table sets out the outstanding option-based awards held by NEOs and the former NEOs of First Mining at the end of our most recently completed financial year:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$) ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Chris Osterman <i>CEO and Director</i>	2,500,000	\$0.75	16-Jun-21	\$275,000	Nil	N/A
	250,000	\$0.40	30-Dec-20	\$115,000	Nil	N/A
	100,000	\$0.40	27-Jul-20	\$46,000	Nil	N/A
	500,000	\$0.40	30-Mar-20	\$230,000	Nil	N/A
Patrick Donnelly <i>President</i>	2,500,000	\$0.75	16-Jun-21	\$275,000	Nil	N/A
	250,000	\$0.40	30-Dec-20	\$115,000	Nil	N/A
	100,000	\$0.40	27-Jul-20	\$46,000	Nil	N/A
	500,000	\$0.40	30-Mar-20	\$230,000	Nil	N/A
Andrew Marshall <i>CFO</i>	300,000	\$0.75	16-Jun-21	\$33,000	Nil	N/A
	140,000	\$0.40	30-Dec-20	\$64,400	Nil	N/A
	100,000	\$0.40	9-Sep-20	\$46,000	Nil	N/A
Raul Diaz <i>Exploration Manager, Latin America</i>	100,000	\$0.75	16-Jun-21	\$11,000	Nil	N/A
	100,000	\$0.40	30-Dec-20	\$46,000	Nil	N/A
	250,000	\$0.40	30-Mar-20	\$115,000	Nil	N/A
Andrew Poon <i>Former CFO</i>	350,000	\$0.75	16-Jun-21	\$38,500	Nil	N/A
	225,000	\$0.40	30-Dec-20	\$103,500	Nil	N/A
	75,000	\$0.40	27-Jul-20	\$34,500	Nil	N/A
	300,000	\$0.40	30-Mar-20	\$138,000	Nil	N/A

Notes:

- (1) This amount is the aggregate dollar amount of in-the-money unexercised options held at the end of 2016 based on the closing price of our Common Shares on the TSX-V on December 30, 2016, which was \$0.86. All such options were fully vested as of the grant date of the options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO and former NEO:

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Chris Osterman <i>CEO</i>	Nil	Nil	Nil
Patrick Donnelly <i>President</i>	Nil	Nil	Nil
Andrew Marshall <i>CFO</i>	Nil	Nil	Nil
Raul Diaz Exploration Manager, Latin America	Nil	Nil	Nil
Andrew Poon Former CFO	Nil	Nil	Nil

Notes:

- (1) These amounts are all \$Nil because all options granted to the individuals in this table were fully vested as of the grant date of the options.

Description of Equity Compensation Plans

The following is a brief description of our Stock Option Plan, and is qualified in its entirety by the full text of the Stock Option Plan, which is attached as Schedule “B” to this Circular and which will also be available for review at the Meeting.

- (1) The maximum aggregate number of our Common Shares that may be issued upon the exercise of stock options granted under our Stock Option Plan shall not exceed 10% of our issued and outstanding share capital as of the grant date of such stock options. The exercise price of stock options granted under our Stock Option Plan, which is determined by the Board in its sole discretion, shall not be less than the last closing price of our Common Shares on the TSX-V prior to the announcement of the option grant, or such other price as may be required or permitted by the TSX-V, or if our Common Shares are no longer listed for trading on the TSX-V, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading.
- (2) The Board shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of our issued and outstanding Common Shares, or to any one consultant or to those persons employed by First Mining who perform investor relations services which will, when exercised, exceed 2% of our issued and outstanding Common Shares.

- (3) Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the Board grants and announces the granting of the option.
- (4) If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death), then the option granted shall expire on a date stipulated by the Board at the time of grant and, in any event, must terminate within 90 days after the date on which the option holder ceases to be a director, officer, employee or consultant, subject to the terms and conditions set out in the Stock Option Plan.

Our Board retains the discretion to impose vesting periods on any options granted. In accordance with TSX-V policies, stock options granted to any company or individual that performs investor relations services for First Mining are required to vest in stages over a minimum of 12 months, with no more than one-quarter of the stock options vesting in any three month period.

Termination and change of control benefits

Other than set out below, we have not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of First Mining or a change in an NEO's responsibilities.

The NEOs in the table below have termination and change of control benefits provided for in their respective employment agreements. The terms of each of the NEO's employment agreements are described earlier in this Circular under the heading "Summary Compensation Table – Narrative Discussion". The table below sets out the maximum amount First Mining could be obligated to pay in the event that a NEO was terminated without cause as of December 31, 2016. We would also be obligated to pay the NEO's actual accrued base salary and expenses up to the date of termination and continue the NEO's option entitlements for the period set out in their respective employment agreements.

Name	Base Salary During Period (\$)	Bonus During Period (\$)	Vacation Pay During Period (\$)	Total Gross Payment (\$)
Chris Osterman <i>CEO</i>	\$238,464 ⁽¹⁾	Nil	\$13,867 ⁽¹⁾	\$252,331 ⁽¹⁾
Patrick Donnelly <i>President</i>	\$220,000	Nil	\$11,349	\$231,349
Andrew Marshall <i>CFO</i>	\$140,000	Nil	\$6,667	\$146,667
Raul Diaz <i>Exploration Manager, Latin America</i>	\$79,488 ⁽¹⁾	Nil	Nil	\$92,736 ⁽¹⁾

Notes:

- (1) These amounts were translated into Canadian Dollars at an average 2016 exchange rate of \$1.3248 US\$/CAD\$, per the Bank of Canada.

Director compensation

On June 16, 2016, our Board established and adopted a director compensation plan for its independent directors (the “**Director Compensation Plan**”). The Director Compensation Plan, which became effective as of July 1, 2016, provides for the semi-annual payment of fees to independent directors who are not otherwise compensated under a formal management agreement.

Under the Director Compensation Plan:

- Each independent director of First Mining, other than the Chairman of the Board and the Chairman of the Audit Committee, receives \$24,000 per year for serving as a director;
- The Chairman of the Board receives \$29,000 per year for serving as a director and as Chairman of the Board;
- The Chairman of the Audit Committee receives \$27,000 per year for serving as a director and as Chairman of the Audit Committee;
- Each director receives a meeting fee of \$1,000 for each Board meeting and Board committee meeting attended by the director; and
- Each director receives an additional \$1,000 per year as reimbursement of out-of-pocket expenses incurred by the director, with receipts with respect to such expenses to be provided upon request by the Company.

No director fees are paid to Mr. Christopher Osterman (our CEO) for serving on the Board.

The following table sets forth the details of compensation provided to our directors, other than the NEOs, during our most recently completed financial year. The value disclosed under option-based awards for directors represents the deemed dollar value of the options granted. Except as may be noted below, no other compensation was paid to directors in their capacity as directors of First Mining or any of its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during our most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Keith Neumeyer	\$34,000	N/A	\$1,100,000	N/A	N/A	Nil	\$1,134,000
Michel Bouchard	\$26,000	N/A	\$215,390	N/A	N/A	Nil	\$241,390
Raymond Polman	\$32,000	N/A	\$132,000	N/A	N/A	Nil	\$164,000
David Shaw	\$29,000	N/A	\$110,000	N/A	N/A	Nil	\$139,000
Ramon Davila (former director) ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	<u>2016</u>	<u>2015</u>
Risk-free interest rate:	1.24%	1.43%
Expected dividend yield:	Nil	Nil
Expected volatility:	69.67%	88.98%
Expected life of option:	3.90 years	5 years

We have chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in our annual audited consolidated financial statements.

- (2) Mr. Ramon Davila resigned from the Board on June 16, 2016.

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

To date, none of our directors have been granted any share-based awards by the Company. The following table (which continues on the next page) sets forth details regarding all option-based awards that have been granted to each director of First Mining who is not also an NEO or former NEO and that are outstanding as at the end of our most recently completed financial year.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Keith Neumeyer <i>Chairman</i>	2,500,000	\$0.75	16-Jun-21	\$275,000	Nil	N/A
	350,000	\$0.40	30-Dec-20	\$161,000	Nil	N/A
	75,000	\$0.40	27-Jul-20	\$34,500	Nil	N/A
	350,000	\$0.40	30-Mar-20	\$161,000	Nil	N/A
Michel Bouchard ⁽²⁾ <i>Director</i>	435,000	\$2.03	9-Mar-17	Nil	Nil	N/A
	315,000	\$1.40	25-Apr-17	Nil	Nil	N/A
	200,000	\$0.85	15-Apr-18	\$2,000	Nil	N/A
	274,000	\$0.18	3-Dec-18	\$186,320	Nil	N/A
	400,000	\$0.15	3-Dec-20	\$284,000	Nil	N/A
Raymond Polman <i>Director</i>	300,000	\$0.75	16-Jun-21	\$33,000	Nil	N/A
	150,000	\$0.40	30-Dec-20	\$69,000	Nil	N/A
	150,000	\$0.40	30-Mar-20	\$69,000	Nil	N/A
David Shaw <i>Former President and CEO, and Current Director</i>	250,000	\$0.75	16-Jun-21	\$27,500	Nil	N/A
	150,000	\$0.40	30-Dec-20	\$69,000	Nil	N/A
	150,000	\$0.40	30-Mar-20	\$69,000	Nil	N/A

Notes:

- (1) This amount is the aggregate dollar amount of in-the-money unexercised options held at the end of 2016 based on the closing price of our Common Shares on the TSX-V on December 30, 2016, which was \$0.86.
- (2) All of these options are replacement options that were issued to Mr. Bouchard in connection with our acquisition of Clifton Star Resources Inc. in April 2016.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during our most recently completed financial year by each director that was not also a former NEO⁽¹⁾:

Name	Option-based awards - Value vested during the year ⁽¹⁾ (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Keith Neumeyer <i>Chairman</i>	Nil	Nil	Nil
Michel Bouchard <i>Director</i>	Nil	Nil	Nil
Raymond Polman <i>Director</i>	Nil	Nil	Nil
David Shaw <i>Director</i>	Nil	Nil	Nil

Notes:

- (1) These amounts are all \$Nil because all options granted to the individuals in this table were fully vested as of the grant date of the options.

Equity Compensation Plan Information

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted average exercise price of outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by our securityholders	24,440,617 Common Shares	\$0.67	29,503,356 Common Shares
Equity compensation plans not approved by our securityholders	Nil	Nil	Nil
TOTAL	24,440,617 Common Shares	\$0.67	29,503,356 Common Shares

Note:

- (1) The aggregate number of Common Shares that may be reserved for issuance under our Stock Option Plan shall not exceed 10% of First Mining's issued and outstanding shares. As at December 31, 2016, we had 539,439,736 Common Shares issued and outstanding.

Corporate Governance

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines that apply to all public companies (the "**Guidelines**"), and has been used by First Mining in adopting its corporate governance practices. National Instrument 58-101 *Disclosure of Governance Practices* requires us to disclose in this Circular certain information regarding our corporate governance guidelines.

Our Board and management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. Our approach to corporate governance is set out below.

Our Board

Management is nominating five individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every public company should be constituted with a majority of individuals who qualify as "independent" directors under National Instrument 52-110 *Audit Committees ("NI 52-110")*, which provides that a director is independent if he or she has no direct or indirect "material relationship" with the Company. The "material relationship" is defined as a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a director's independent judgement.

All of the current members of the Board are considered "independent" within the meaning of NI 52-110, except for Chris Osterman, who is the CEO of First Mining.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to management, evaluate management, set policies appropriate for First Mining's business and approve corporate strategies and goals. The day-to-day management of the business and affairs of First Mining is delegated by the Board to the President and the CEO. The Board will give direction and guidance through the President and the CEO to management and will keep management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee, a Compensation Committee, a Corporate Governance Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO and President of the Company and establishes the duties and responsibilities of those positions, and on the recommendation of the CEO, appoints the senior officers of the Company and approves the senior management structure of the Company.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia), is to manage or supervise management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

The Board exercises its independent supervision over management by its policies whereby: (a) periodic meetings of the Board are held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than four times during each year and will endeavour to hold at least one meeting in each fiscal quarter. In addition, the independent members of the Board meet regularly each year, at which meetings the non-independent directors and members of management are not in attendance. The Board will also meet at any other time at the call of the CEO, or subject to our Articles, of any director.

Other directorships

The following directors of First Mining are also directors of other public companies as stated below:

- Keith Neumeyer is a director of First Majestic Silver Corp.;
- David Shaw is a director of First Majestic Silver Corp., Great Quest Fertilizer Ltd. and Medallion Resources Ltd.; and
- Michel Bouchard is chairman of Monarques Gold Corporation and a director of SIRIOS Resources Inc. and Cartier Resources Inc.

Orientation and continuing education

Our Board's practice is to recruit for the Board only persons with extensive experience in the mining and mining exploration business and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on First Mining's affairs and plans prior to obtaining their consent to act as a director.

Our Board provides training courses to the directors as needed, to ensure that the Board is complying with current legislative and business requirements.

Ethical business conduct

Our Board encourages and promotes a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. In addition, our Board has adopted a Code of Business Conduct and Ethics (the "**Code**") to be followed by First Mining's directors, officers, employees and principal consultants and those of its subsidiaries. The Code is also to be followed, where appropriate, by the Company's agents and representatives, including consultants where specifically required. The purpose of the Code is to, among other things, promote honest and ethical conduct, avoid conflict of interest, protect confidential information and comply with the applicable government laws and securities rules and regulations.

Director term limits and Board renewal

We have not adopted term limits for directors on our Board or other mechanisms of Board renewal. The Company and the Board have considered term limits and believe that:

- longer tenure does not impair a director's ability to act independently of management;
- imposing term limits could result in the loss of contributions of longer serving directors who have developed significant depth of knowledge and understanding of the Company;
- regular evaluation of Board skills and experience, as set out in our Board Mandate, rather than arbitrary term limits, will result in better Board performance; and
- experience of Board members is a valuable asset to shareholders because of the complex issues that the Board faces.

Our Board currently assesses each director in order to ensure that the Board is balanced between highly experienced directors with long-term knowledge and those with a fresh perspective. Our Board will periodically consider whether term limits or other mechanisms of Board renewal should be adopted and will implement changes when necessary.

Nomination of directors

The Compensation Committee has primary responsibility for the nomination of new directors. New candidates are identified to the Board for nomination by an informal process of discussion and consensus – building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus among the Board is reached. This process takes place among the Chairman and a majority of the non-executive directors.

Compensation Committee

The Compensation Committee is a committee comprised of at least three directors whose primary purpose is to enable First Mining to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives and review and recommend for Board consideration, all compensation packages, both present and future, for the Company's management and directors (including annual retainer, meeting fees, bonuses and option grants) including any severance packages. A majority of the members shall not be officers or employees of First Mining and shall be unrelated, independent directors.

Members of the Compensation Committee shall be appointed or reappointed at the Board meeting which follows the Company's annual general meeting and from among the appointees to the Compensation Committee, the Board shall appoint a chairperson (the "**Compensation Committee Chairperson**"). The duties of the Compensation Committee Chairperson include overseeing the proper functioning of the Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Compensation Committee meets as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long term success of First Mining. Compensation generally includes the three following components: (i) base salary; (ii) annual bonus based on performance; and (iii) grant of stock options. The Compensation Committee takes into account the North American context of its activities and increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company.

The Compensation Committee is accountable to the Board and reports to the Board at its next regular meeting all deliberations and actions it has taken since any previous report. Minutes of Compensation Committee meetings will be available for review by any member of the Board on request to the Compensation Committee Chairperson.

The current members of the Compensation Committee are Michel Bouchard (current Compensation Committee Chairperson), Keith Neumeyer and David Shaw, all of whom are independent.

Corporate Governance Committee

The purpose of the Corporate Governance Committee is to monitor and to generally be responsible for developing the Company's governance and human resources policies and guidelines and overseeing their implementation and administration.

The Corporate Governance Committee is responsible for ensuring a compensation policy and practice that is supportive of the Company's business strategies and that appropriately links senior management performance and compensation. In addition, the Corporate Governance Committee shall ensure the recruitment, ongoing long-term development and deployment of high calibre senior management.

Annually, following the annual general meeting of the Company, the Board elects from its members not less than three directors to serve on the Corporate Governance Committee. Each member holds office until the close of the next annual general meeting of the Company or until the member resigns or is replaced, whichever first occurs. The Board appoints one of the directors on the Corporate Governance Committee as the chairperson, whose duties include overseeing the proper functioning of the Corporate Governance Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Corporate Governance Committee will meet as often as necessary or appropriate in its judgement.

The members of the Corporate Governance Committee are David Shaw (current chairperson of the Corporate Governance Committee), Raymond Polman and Keith Neumeyer.

Assessments

Our Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

Our Board monitors the adequacy of information given to directors, communication between Board and management and the strategic direction and processes of the Board and its committees.

Our Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. First Mining's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administration burden.

Audit Committee

We are required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of First Mining or an affiliate of First Mining.

NI 52-110 requires our Audit Committee to meet certain requirements. It also requires us to disclose in this Circular certain information regarding the Audit Committee. That disclosure is set out below.

Overview

The Audit Committee is principally responsible for:

- recommending to our Board the external auditor to be nominated for election by the shareholders at each annual general meeting and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor;
- reviewing our annual and interim financial statements, MD&A and press releases regarding earnings before they are reviewed and approved by our Board and publicly disseminated; and
- reviewing our financial reporting procedures and internal controls to ensure adequate procedures are in place for our public disclosure of financial information extracted or derived from our financial statements.

Audit Committee Charter

A copy of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

Our current Audit Committee consists of Raymond Polman (current chairperson of the Audit Committee), Keith Neumeyer and David Shaw.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of our Board, reasonably interfere with the exercise of the member's independent judgment. All of the members of our Audit Committee are "independent" within the meaning of NI 52-110.

NI 52-110 provides that an individual is "financially literate" if 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. All of the members of our Audit Committee are "financially literate" as that term is defined in NI 52-110.

Relevant Education and Experience

The following is a description of the skills and experience of each member of the Audit Committee that is relevant to the performance of their responsibilities as a member of the Audit Committee:

Raymond Polman

Mr. Polman has over 30 years of public accounting and corporate finance experience in the Canadian and US financial markets and has been Chief Financial Officer of First Majestic Silver Corp. since February 2007. Prior to First Majestic, Mr. Polman had been a Chief Financial Officer for six years with a number of publicly traded high technology companies, prior to which he served several years as the Director of Finance for Rescan Environmental, a large privately owned company serving the global mining community. Mr. Polman has a Bachelor of Science (Economics) Degree from the University of Victoria and he is a member of the Institute of Chartered Accountants of British Columbia. Mr. Polman also brings eight years of prior public accounting experience with Deloitte LLP.

Keith Neumeyer

Mr. Neumeyer has worked in the investment community for over 30 years. He began his career at a number of Canadian national brokerage firms. Mr. Neumeyer moved on to work with several publically traded companies in the resource and high technology sectors. His roles have included senior management positions and directorships responsible in areas of finance, business development, strategic planning and corporate restructuring. Mr. Neumeyer was the original and founding President of First Quantum Minerals Ltd. He also founded and is currently the Chief Executive Officer of First Majestic Silver Corp. Mr. Neumeyer has also listed a number of companies on the Toronto Stock Exchange and as such has extensive experience dealing with the financial, regulatory, legal and accounting issues that are relevant in the investment community.

David Shaw

Since completing his doctorate over 35 years ago, Mr. Shaw has worked both in the technical and financial communities within the resource industry. Seven years were spent with Chevron Resources in Calgary and Vancouver, employed initially as an in-house structural consultant on both metal and hydrocarbon exploration programs and then as a member of a hydrocarbon project financial evaluation team. Upon leaving Chevron, he initiated and developed the Resource Research Group at Charlton Securities Ltd., Calgary before assuming the position of Senior Mining Analyst, Corporate Finance, at Yorkton Securities Inc. in Vancouver.

Audit Committee Oversight

At no time since the commencement of our most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by our Board.

Reliance on Certain Exemptions

Since the commencement of our most recently completed financial year, we have not relied on the exemptions in sections 2.4 (*De Minimis Non-audit Services*); 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*); 6.1.1(5) (*Events Outside of Control of Member*) or 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110 or on an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

Our Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (by category)

The table below shows the fees earned by BDO for services for the fiscal periods ended December 31, 2016 and December 31, 2015.

<u>Category</u>	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>
Audit fees ⁽¹⁾	\$131,750	\$64,200
Audit-related fees ⁽²⁾	\$Nil	\$26,500
Tax fees ⁽³⁾	\$34,714	\$7,313
All other fees	\$Nil	\$Nil
TOTAL	\$166,464	\$98,013

Notes:

- (1) "Audit fees" include aggregate fees billed by our external auditor in each of the last two fiscal years for audit fees.
- (2) "Audit related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by our external auditor that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit fees" above. The services provided include due diligence assistance and accounting consultations on proposed transactions.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by our external auditor for tax compliance, tax advice and tax planning. The services provided include assistance with foreign tax compliance.

Exemption in Section 6.1

First Mining is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

Indebtedness of Directors and Executive Officers

None of the current or former directors, executive officers, employees of First Mining, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of our most recently completed financial year.

Management Contracts

Other than as disclosed elsewhere in this Circular, no management functions of First Mining are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

Additional Information

Additional information relating to First Mining is available under our SEDAR profile at www.sedar.com.

You can find financial information relating to First Mining in our comparative financial statements and MD&A for our most recently completed financial year. These documents are available on our website at www.firstminingfinance.com/investors/reports-filings/financials and under our SEDAR profile at www.sedar.com.

You can also request copies free of charge by contacting us at:

First Mining Finance Corp.
Suite 1805 – 925 West Georgia Street
Vancouver, British Columbia V6C 3L2

info@firstminingfinance.com
Telephone: 1.844.306.8827
Facsimile: 604.639.8873

Board Approval

Our Board has approved the contents of this Circular and authorized us to send it to you.

DATED at Vancouver, British Columbia, this 10th day of May, 2017.

ON BEHALF OF THE BOARD,

“Keith Neumeyer”

Keith Neumeyer
Chairman of the Board



First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

Schedule "A"

Audit Committee Charter

1. Introduction

- (a) The audit committee (the "**Committee**") is appointed by the board of directors (the "**Board**") of First Mining Finance Corp. (the "**Company**") to be responsible for the oversight of the accounting and financial reporting process and financial statement audits of the Company.
- (b) This charter is prepared to assist the Committee, the Board and management in clarifying responsibilities and ensuring effective communication between the Committee, the Board and management.

2. Composition

- (a) The Committee will be composed of three directors from the Board, a majority of whom will be independent (as defined in National Instrument 58-101 *Disclosure of Corporate Governance Practices*).
- (b) All members of the Committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the Committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

3. Responsibilities

The Committee has the responsibility to:

- (i) review and report to the board of directors of the Company on the following before they are publicly disclosed:
 - (A) the financial statements and MD&A (management discussion and analysis) (as defined in *National Instrument 51-102 Continuous Disclosure Obligations*) of the Company;
 - (B) the auditor's report, if any, prepared in relation to those financial statements,
- (ii) review the Company's annual and interim earnings press releases before the Company publicly discloses this information;

- (iii) satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures;
- (iv) recommend to the board of directors:
 - (A) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
 - (B) the compensation of the external auditor,
- (v) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (vi) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established;
- (vii) monitor the management of the principal risks that could impact the financial reporting of the Company;
- (viii) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
- (ix) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor;
- (x) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (xi) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*; and
- (xii) review, and report to the Board on its concurrence with the disclosure required by Form 52-110F2 *Disclosure by Venture Issuers* in any management information circular prepared by the Company.

4. Authority

- (a) The Committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the Committee will set the compensation for such

advisors.

- (b) The Committee has the authority to communicate directly with and to meet with the external auditor, without management involvement. This extends to requiring the external auditor to report directly to the Committee.

5. Reporting

The Committee will report to the Board on the proceedings of each Committee meeting and on the Committee's recommendations at the next regularly scheduled Board meeting.

6. Effective date

This Charter was implemented by the Board on May 19, 2015.



First Mining Finance Corp.

THE BUILDING OF A MINERAL BANK

Schedule “B”

Stock Option Plan

1. Introduction

The purpose of the Stock Option Plan (the “**Plan**”) of **First Mining Finance Corp.**, a corporation incorporated under the *Business Corporations Act* (Alberta) and continued into British Columbia under the *Business Corporations Act* (British Columbia) (the “**Corporation**”) is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the “**Shares**”), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the “**Board**”). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the optionee, in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

Each option granted by the Corporation prior to the date of the approval of the Plan by the shareholders of the Corporation, including options granted under previously approved stock option plans of the Corporation, be and are continued under and shall be subject to the terms of the Plan after the Plan has been approved by the shareholders of the Corporation.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the “**Exchange**”).

4. Shares Subject to Plan

Subject to adjustment as provided in Section 16 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries (“**Management Company Employees**”) shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as “**Participants**”). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, provided that in the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) No single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any one twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- (d) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relations activities. Options granted to Consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than $\frac{1}{4}$ of the options vesting in any 3 month period.

9. Duration of Option

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11, 12 and 13, provided that in no circumstances shall the duration of an option exceed the maximum term permitted by the Exchange. For greater certainty, if the Corporation is listed on the TSX Venture Exchange Inc. ("**TSX Venture**"), the maximum term may not exceed 10 years.

Should the expiry date of an Option fall within a Black Out Period or within nine business days following the expiration of a Black Out Period, such expiry date of the Option shall be automatically extended without any further act or formality to that date which is the tenth business day after the end of the

Black Out Period, such tenth business day to be considered the expiry date for such Option for all purposes under the Plan. The ten business day period referred to in this paragraph may not be extended by the Board.

“Black Out Period” means the period during which the relevant Participant is prohibited from exercising an Option due to trading restrictions imposed by the Corporation pursuant to any policy of the Corporation respecting restrictions on trading that is in effect at that time.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11, 12 and 13 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, the Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11, 12 and 13, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Shares with respect to which the option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.

11. Ceasing To Be a Director, Officer, Consultant or Employee

Subject to Section 12 and Section 13, if a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must

occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, subject to extension at the discretion of the Board, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation, subject to extension at the discretion of the Board.

Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Ceasing to be a Participant (Capital Pool Companies)

Notwithstanding Section 11, if a Participant receives options while the Corporation is classified as a Capital Pool Company by the TSX Venture and the Participant ceases to be a director or officer, consultant or employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided, that such exercise must occur prior to the later of 12 months after the completion of a Qualifying Transaction and 90 days after the person ceases to be a director, officer, consultant or employee.

Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director or officer.

13. Death of Participant

Notwithstanding Sections 11 and 12, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that such Participant was entitled to exercise the Option at the date of his death.

14. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

15. Proceeds from Sale of Shares

The proceeds from the sale of Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board may determine.

16. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, or any adjustment relating to the Shares optioned or issued on exercise of options, or the exercise price per share as set forth in the respective stock option agreements, shall be adjusted in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

17. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

18. Withholding Taxes

The Corporation shall have the authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by the Optionee to the Corporation, of any taxes or other required source deductions which the Corporation is required by law or regulation of any governmental authority whatsoever to remit in connection with this Plan, or any issuance of Optioned Shares. Without limiting the generality of the foregoing, the Corporation may, in its sole discretion:

- (a) deduct and withhold additional amounts from other amounts payable to an Optionee;
- (b) require, as a condition of the issuance of Optioned Shares to an Optionee that the Optionee make a cash payment to the Corporation equal to the amount, in the Corporation's opinion, required to be withheld and remitted by the Corporation for the account of the Optionee to the appropriate governmental authority and the Corporation, in its discretion, may withhold the issuance or delivery of Optioned Shares until the Optionee makes such payment; or
- (c) sell, on behalf of the Optionee, all or any portion of Optioned Shares otherwise deliverable to the Optionee until the net proceeds of sale equal or exceed the amount which, in the Corporation's opinion, would satisfy any and all withholding taxes and other source deductions for the account of the Optionee.

19. Amendment and Termination of Plan

Subject to applicable approval of the Exchange, the Board may, at any time, suspend or terminate the Plan. Subject to applicable approval of the Exchange, the Board may also at any time amend or revise the terms of the Plan; provided that no such amendment or revision shall result in a material adverse change to the terms of any options theretofore granted under the Plan, unless shareholder approval, or disinterested shareholder approval, as the case may be, is obtained for such amendment or revision.

20. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

21. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

22. Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of British Columbia.



First Mining Finance Corp.

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