

VIKING GOLD EXPLORATION INC.

MANAGEMENT INFORMATION CIRCULAR

Solicitation of Proxies

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation by the management of Viking Gold Exploration Inc. (the “Corporation”) of proxies to be used at the Annual General and Special Meeting of shareholders of the Corporation (the “Meeting”) to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting. It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by management of the Corporation at nominal cost. The cost of any such solicitation by management will be borne by the Corporation.

The Corporation may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of voting shares of the Corporation (such as brokers, dealers, other registrants under applicable securities laws, nominees and /or custodians) in sending or delivering copies of this Circular, the Notice of Meeting and form of proxy to the beneficial owners of such shares. The Corporation will provide, without cost to such persons, upon request to the Secretary of the Corporation, additional copies of the foregoing documents required for this purpose.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors and/or senior officers of the Corporation. A shareholder desiring to appoint some other person, who need not be a shareholder of the Corporation, to attend and act for him at the Meeting may do so either by inserting such person’s name in the blank space provided in the instrument of proxy and striking out the names of the two persons specified or by completing another proper form of proxy and, in either case, delivering the completed proxy to Equity Financial Trust Company at 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1 not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting.

A proxy given by a shareholder maybe revoked as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the registered and head office of the Corporation at anytime up to and including the last business day preceding the day of the Meeting or any adjournment thereof at which the proxy is to be used or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting of Proxies

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. In the absence of such direction, such shares will be voted FOR in the election of directors, the appointment and remuneration of auditors and the annual approval of the stock option plan. The enclosed form of proxy confers discretionary authority upon the persons named therein to exercise their judgment and to vote with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date hereof, the management of the Corporation knows of no such amendments, variations or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

Non-Registered Holders

Only registered holders of common shares of the Corporation or the person(s) they appoint as their proxyholder are permitted to vote at the Meeting. However, in many cases, shares of the Corporation beneficially owned by a holder (a “Non-Registered Holder”) are not registered in the name of the holder but are rather registered either (a) in the

name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares, or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“CDS”) of which the Intermediary is a participant (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans.). Non-Registered Holders fall into two categories – those who object to their identity being known to the issuers of securities they own (“Objecting Beneficial Owners”, or “OBOs”) and those who do not object to their identity being made known to the issuers of the securities they own (“Non-Objecting Beneficial Owners”, or “NOBOs”). Subject to the provision of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers (“NI 54-101”), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may use the NOBO list for distribution of proxy-related materials directly (not via an intermediary) to such NOBOs. By choosing to send these materials to NOBOs directly, the issuer (and not the intermediary holding on behalf a NOBO) has assumed responsibility for (i) delivering these materials to the NOBOs, and (ii) executing the NOBOs’ proper voting instructions. Where the Corporation or its agent sends the Meeting Material directly to NOBOs, the Corporation obtained the name, address and information about the holdings of common shares of each NOBO in accordance with applicable securities regulatory requirements from the intermediaries holding the common shares on behalf of the NOBOs.

The Corporation has distributed copies of the Notice of Meeting, this Circular and a form of proxy (collectively the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to all Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to all Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to all Non-Registered Holders. Generally all Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “voting instruction form” or a “proxy authorization form”) which the Intermediary must follow. Typically, the Non-Registered Holder will also be given a page of instructions which contains a removable label containing a bar code and other information. In order for the form of proxy to be validly constituted, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) less typically, be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deliver it to Equity Financial Trust Company as provided under “Appointment and Revocation of Proxies” above.

If you have received the Corporation’s form of proxy, you may return it to Equity Financial Trust Company:

- (1) By regular mail in the return envelope provided,
- (2) By fax at 416.361.0470.

In any case, the purpose of the above noted procedures is to permit Non-Registered Holders to direct the voting of the shares of the Corporation which they beneficially own. Should a Non-Registered Holder who receives a form of proxy wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions on the proxy and, if applicable, of their Intermediary, including those regarding when and where the form of proxy is to be delivered.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation has an authorized capital consisting of an unlimited number of common shares (the “Common Shares”), of which 73,099,369 are issued and outstanding as of October 26, 2012.

Holders of Common Shares of record at the close of business on October 26, 2012 (the “Record Date”) are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share.

To the knowledge of the directors and senior officers of the Corporation, there is no person who beneficially owns directly, or indirectly, or exercises control or direction over equity shares of the Corporation carrying more than 10% of the voting rights attached to all equity shares of the Corporation.

MATTERS TO BE ACT UPON AT THE MEETING

Election of Directors

The Articles of the Corporation provide that the board of directors of the Corporation shall consist of a minimum of three (3) and a maximum of six (6) directors. The board of directors has fixed the number of directors at six (6). It is proposed that Messrs. John A. Hansuld, Garfield Mitchell, Lawrence D. Smith, David Brace, Mark Edwards and John McCleery be nominated at the Meeting to act as directors of the Corporation. Each of proposed directors is a current member of the board of directors. The table below sets out for each nominee their principal occupation, the number of common shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominee as at October 26, 2012, and the date they were first elected as a director of the Corporation.

The persons named in the enclosed form of proxy intend to vote for the election of the foregoing nominees. Management does not contemplate that any of the nominees will be unable to serve as a director but if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting of shareholders or until his office is earlier vacated in accordance with the by-laws of the Corporation.

Table of directors of the Corporation:

<u>Name and Residence</u>	<u>Present Principal Occupation</u>	<u>Shares Owned⁽¹⁾</u>	<u>Director Since</u>
John A. Hansuld ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Consultant and Director	466,690	February 1999
Garfield Mitchell ⁽²⁾⁽³⁾⁽⁴⁾ Ontario, Canada	Private Investor	784,500	June 2006
Lawrence D. Smith ⁽⁴⁾ Ontario, Canada	Senior Manager, Project Evaluation & Strategic Analysis for Barrick Gold Corporation	41,230	June 2006
David W. Brace ⁽²⁾⁽⁴⁾ Ontario, Canada	CEO, Karmin Exploration Inc.	263,000	July 2008
Mark Edwards Ontario, Canada	President of the Corporation; Chartered Accountant and Managing Partner, 4Growth Inc.	150,000	October 2010
John McCleery ⁽⁴⁾ British Columbia, Canada	President & CEO, Pedro Resources Ltd.	140,000	October 2010

Notes:

- (1) The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective directors and officers individually.
- (2) Member of the Audit Committee.
- (3) Member of the Corporate Governance Committee.
- (4) Independent director.

During the past five years, the above-noted nominees have held the positions set out opposite their names under “Present Principal Occupation”, except as follows: Mr. Mitchell was Vice-President, Community Affairs at George Weston Limited and Executive Director of The W. Garfield Weston Foundation from 1991-2004 and was a Partner in Bergerac Homes from 2003-2007; Mr. Smith was Manager of Project Evaluations at ValeInco from 2002-2008; and Mr. Brace was the Chief Executive Officer of Globestar Mining Corporation from October 2008 to December 2010, the Executive Vice President Business Development at Aur Resources Inc. from January 2005 to August 2007, and prior to that was the President, South America Division, at Aur Resources Inc.

Corporate Cease Trade Orders or Bankruptcies

To the best of the Corporation’s knowledge, none of the nominees is, as at the date of this Circular, or has been within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that: (i) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, in any case that was in effect for more than 30 consecutive days (an “order”) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Personal Bankruptcies

To the best of the Corporation’s knowledge, except as noted below, none of the nominees is, as at the date of this Circular, or has been within the 10 years before the date hereof, (i) a director or executive officer of any company, including the Corporation, 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 (ii) has 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 director or executive officer.

Penalties and Sanctions

To the best of the Corporation’s knowledge, none of the nominees has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (ii) any other 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.

Appointment and Remuneration of Auditors

The shareholders of the Corporation will be asked at the Meeting to pass a resolution appointing McGovern, Hurley, Cunningham LLP, Chartered Accountants, of 2005 Sheppard Avenue East, Suite 300, Toronto, ON M2J 5B4, as the auditors of the Corporation and authorizing the directors of the Corporation to fix their remuneration.

Subject to the foregoing, unless such authority is withheld, the persons named in the enclosed proxy intend to vote for the appointment of McGovern, Hurley, Cunningham LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders and to authorize the directors to fix their remuneration.

Annual Approval of Stock Option Plan

The shareholders adopted a rolling 10% stock option plan (the “Option Plan”) at the Corporation’s annual and special general meeting held on April 26, 2004. The policies of the TSX Venture Exchange (the “TSXV”) require the shareholders to approve the Option Plan on an annual basis at the annual general meeting. Therefore, the shareholders will be asked to pass an ordinary resolution approving the Option Plan.

The purpose of the Option Plan is to allow the Corporation to grant options to directors, officers, consultants, employees and management company employees as additional compensation and as an opportunity to participate in the profitability of the Corporation. The granting of such options is intended to align the interests of such persons with that of the Corporation. Options will be exercisable over period of up to five years as determined by the board of directors of the Corporation and are required to have an exercise price no less than Market Price, as defined, prevailing on the day that the option is granted less the applicable discount permitted by the TSXV and will not otherwise be less than \$0.10 per share. Pursuant to the Option Plan, the board of directors may from time to time authorize the issuance of options to directors, officers, employees of and consultants to the Corporation and its subsidiaries or employees of companies providing management services to the Corporation or its subsidiaries.

The Option Plan is a “rolling” plan reserving a maximum of 10% of the issued shares of the Corporation at the time of a stock option grant. The Option Plan does not contain any mandated vesting provisions except as required by TSXV policies for persons providing investor relations services to the Corporation. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares of the Corporation in any 12-month period and the maximum aggregate number of shares that may be reserved for issuance to any one consultant during any 12-month period shall not exceed 2% of the outstanding shares.

Proxies received in favour of management will be voted for the stock option plan unless a shareholder has specified in its proxy that his, her or its shares are to be voted against the stock option plan.

Accordingly the Corporation’s shareholders will be asked to approve the following ordinary resolution:

“RESOLVED, as an ordinary resolution, that:

1. the Option Plan, as described in the Corporation’s Management Information Circular dated October 26, 2012, be and is hereby ratified and approved.
2. the number of common shares of the Corporation reserved for issuance under the Option Plan shall be no more than 10% of the Corporation’s issued and outstanding share capital at the time of any stock option grant, and
3. the board of directors of the Corporation be authorized to make any changes to the Option Plan if required by the TSX Venture Exchange.”

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive compensation is based upon the need to provide a compensation package that will allow the Corporation to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy and integrate the longer term interest of the executives with the investment objectives of the Corporation’s shareholders. Given the stage of development of the Company and the fact that it has not yet attained commercial production, compensation to date has historically been on a fee for service arrangement with stock options being issued and paid as an incentive for performance.

Option-based Awards

The Board has the responsibility to administer the compensation policies related to the executive management of the Corporation, including option-based awards. The shareholders have approved a stock option plan pursuant to which the Board has granted stock options to executive officers and directors. The stock option plan provides compensation to participants and an additional incentive to work toward long-term corporate performance. Executive compensation is based upon the need to provide a compensation package that will allow the Corporation to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. The stock option plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Corporation. In determining the number of options to be granted to the executive officers, the board of directors takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders.

Summary Compensation Table

During the financial year ended December 31, 2011 the Company had three “Named Executive Officers” as that term is defined for purposes of the *Securities Act* (Ontario) and the Regulations thereunder. The following table (presented in accordance with National Instrument 51-102F6 – *Statement of Executive Compensation* sets forth all annual and long term compensation for services in all capacities to the Company for the financial years ended December 31, 2009, 2010 and 2011 in respect of each Named Executive Officer.

Name and Principal Position	Year	Salary	Share-based Awards	Option-based Awards	Non-equity Incentive Plan Compensation		All Other Compensation	Total Compensation
					Annual Incentive Plans	Long-term Incentive Plans		
Mark Edwards⁽¹⁾ <i>President and Director</i>	2011	\$116,000	-	\$131,602	-	-	-	\$247,602
	2010	\$19,500	-	\$60,900	-	-	-	\$80,400
George Supol <i>CFO</i>	2011	\$44,284	-	\$32,900	-	-	-	\$77,184
	2010	\$34,610	-	\$15,360	-	-	-	\$49,970
	2009	\$26,425	-	-	-	-	-	\$26,425

Notes:

- (1) Mr. Edwards was elected as a director and appointed President of the Company on October 7, 2010.

Option-based Awards – Stock Option Plan

The following table sets forth information concerning all awards outstanding under option-based incentive plans of the Company at the end of the most recently completed financial year to each Named Executive Officer.

Name and Principal Position	Option-based Awards				Share-based Awards	
	No. Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date (dd/mm/yyyy)	Value of Unexercised In-the-money Options ⁽¹⁾	No. of Shares or Units of Shares that Have Not Vested	Market or Payout Value of Share-based Awards that Have Not Vested ⁽¹⁾
Mark Edwards <i>President and Director</i>	350,000	\$0.125	6/10/2015	\$26,250	N/A	N/A
	200,000	\$0.17	16/11/2015	\$6,000	N/A	N/A
	200,000	\$0.24	17/05/2016	-	N/A	N/A
	300,000	\$0.17	12/09/2016	\$9,000	N/A	N/A
	300,000	\$0.20	08/12/2016	-	N/A	N/A
				Total: \$41,250		
George Supol <i>CFO</i>	50,000	\$0.135	8/01/2013	\$3,250	N/A	N/A
	100,000	\$0.11	4/02/2015	\$9,000	N/A	N/A
	75,000	\$0.125	06/10/2015	\$5,625	N/A	N/A
	50,000	\$0.24	17/05/2016	-	N/A	N/A
	75,000	\$0.17	12/09/2016	\$2,250	N/A	N/A
	75,000	\$0.20	08/12/2016	-	N/A	N/A
			Total: \$20,125			

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options at exercise or financial year-end, respectively, and the exercise of base price of the options. The closing price of the Company's common shares on December 31, 2011, the last day during the most recently completed fiscal year on which any shares traded, was \$0.20.

Option-based Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of option-based awards granted to Named Executive Officers are as follows:

Name and Principal Position	Option-based Awards – Value Vested During the Year ⁽¹⁾	Shares-based Awards – Value Vested During the Year	Non-equity Incentive Plan Compensation – Value Earned During the Year
Mark Edwards ⁽¹⁾ <i>President and Director</i>	\$Nil	N/A	N/A
George Supol <i>CFO</i>	\$Nil	N/A	N/A

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options at vesting date and the exercise of base price of the options.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination and Change of Control Benefits

The Company does not have any arrangements with either of the Named Executive Officers regarding the payment of compensation following termination of service or upon a change of control of the Company.

Director Compensation

The directors of the Company received the following compensation for acting as directors for the financial year ending December 31, 2011.

Name	Fees Earned	Share-based Awards	Option-based Awards	Non-equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total
John A. Hansuld	-	-	\$43,880	-	-	-	\$43,880
Garfield Mitchell	-	-	\$36,986	-	-	-	\$36,986
Lawrence D. Smith	-	-	\$36,986	-	-	-	\$36,986
David Brace	-	-	\$36,986	-	-	-	\$36,986
John McCleery	-	-	\$36,986	-	-	-	\$36,986

Option-based Awards

The following table sets forth information concerning all awards outstanding under option-based plans of the Company at the end of the most recently completed financial year to each of the directors of the Company who were not Named Executive Officers during the financial year ended December 31, 2011.

Name	No. Securities Underlying Unexercised Options	Option Exercise Price	Option Expiration Date (dd/mm/yyyy)	Value of Unexercised In-the-money Options ⁽¹⁾
John A. Hansuld	100,000 ⁽²⁾	\$0.13	26/01/2012	\$7,000
	150,000	\$0.16	9/04/2013	\$6,000
	150,000	\$0.11	4/02/2015	\$13,500
	150,000	\$0.125	7/10/2015	\$11,250
	200,000	\$0.17	12/09/2016	\$6,000
	100,000	\$0.20	08/12/2016	-
				Total: \$43,750
Garfield Mitchell	100,000	\$0.16	9/04/2013	\$4,000
	100,000	\$0.11	4/02/2015	\$9,000
	100,000	\$0.125	7/10/2015	\$7,500
	150,000	\$0.17	12/09/2016	\$4,500
	100,000	\$0.20	8/12/2016	-
				Total: \$25,000
Lawrence D. Smith	100,000	\$0.16	9/04/2013	\$4,000
	100,000	\$0.11	4/02/2015	\$9,000
	100,000	\$0.125	7/10/2015	\$7,500
	150,000	\$0.17	12/09/16	\$4,500
				Total: \$25,000
David Brace	100,000	\$0.115	12/09/2013	\$8,500
	100,000	\$0.11	4/02/2015	\$9,000
	100,000	\$0.125	7/10/2015	\$7,500
	150,000	\$0.17	12/09/2016	\$4,500
				Total: \$29,500
John McCleery	200,000	\$0.125	7/10/2015	\$15,000
	150,000	\$0.17	12/09/2016	\$4,500
	100,000	\$0.20	8/12/2016	-
				Total: \$19,500

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options at exercise or financial year-end, respectively, and the exercise of base price of the options. The closing price of the Company's common shares on December 31, 2011, the last day during the most recently completed fiscal year on which any shares traded, was \$0.20.
- (2) These options expired subsequent to December 31, 2011.

Option-based Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to directors who are not Named Executive Officers are as follows.

Name	Option-based Awards – Value Vested During the Year ⁽¹⁾
John A. Hansuld	\$Nil
Garfield Mitchell	\$Nil
Lawrence D. Smith	\$Nil
David Brace	\$Nil
John McCleery	\$Nil

Notes:

- (1) This amount is the dollar value that would have been realized computed by obtaining the difference between the market price of the underlying securities at the vesting date and the exercise or base price of the options under the option-based award on the vesting date.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out the aggregate number of commons shares that were authorized for issuance under the Corporation’s Option Plan as of December 31, 2011:

<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)</u>
Equity compensation plans approved by shareholders	7,050,000	\$0.16	6,937
Equity compensation plans not approved by shareholders	-	-	-
Total	7,050,000	\$0.16	6,937

Notes:

- (1) Subsequent to December 31, 2011, 2,530,000 options were exercised, 150,000 new options were granted, no options were exercised and 350,000 options expired, decreasing the total number of securities under option (as at October 26, 2012) to 6,850,000, and increasing the number of securities remaining available for future issuance to 459,937.

CORPORATE GOVERNANCE PRACTICES

The Corporation's "Statement of Corporate Governance Practices" is attached to this Circular as Schedule "A". It has been approved by the board of directors. Additional information on the directors and the audit committee is set forth below.

AUDIT COMMITTEE

Pursuant to the provisions of Multilateral Instrument 52-110 – Audit Committees ("MI 52-110"), which came into force on March 30, 2004, the Corporation is required to disclose certain information concerning its Audit Committee including the Audit Committee's charter, the composition of the Audit Committee and its relationship with its independent auditors. Such information is set forth below.

Audit Committee's Charter

As a TSX Venture Exchange listed company, the Corporation is required to have an audit committee for the purpose of monitoring and enhancing the quality of the financial information disclosed by the Corporation. The Audit Committee's charter is reproduced as Schedule "B".

Composition of Audit Committee

The Audit Committee is currently comprised of David Brace (Chair), John A. Hansuld, and Garfield Mitchell. Each of Messrs. Hansuld, Brace and Mitchell are "independent" and "financially literate" within the meaning of MI 52-110. In addition to each member's general business experience, the education and experience of each audit committee member that is relevant to the performance of his or her responsibilities as an audit committee member is as follows: David Brace is a geologist with a B.Sc. from the University of Toronto and an M.B.A. in finance and accounting from the University of British Columbia.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditors not been adopted by the board of directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied of exemptions in relation to "De Minimis Non-Audit Services" or any exemption provided by Part 8 of MI 52-110.

Pre-Approval Policies and Procedures

The Corporation has not adopted any specific policies in relation to the engagement of non-audit services.

External Auditor Service Fees (By Category)

	Financial Years Ended December 31,	
	<u>2011</u>	<u>2010</u>
Audit Fees ⁽¹⁾	\$37,000	\$30,000
Audit-Related Fees ⁽²⁾	\$6,000	\$5,000
Tax Fees ⁽³⁾	-	-
All Other Fees ⁽⁴⁾	-	-
Total Fees	<hr/> \$43,000	<hr/> \$35,000

Notes:

- ⁽¹⁾ The aggregate audit fees billed.
- ⁽²⁾ The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audits or reviewing the Corporation's financial statements and are not included under "Audit Fees".
- ⁽³⁾ The aggregate fees billed for services related to tax compliance, tax advice and tax planning. The services performed for the fees paid under this category may briefly be described as tax return preparation fees.
- ⁽⁴⁾ The aggregate fees billed for services other than those reported above. The services performed for the fees paid under this category may briefly be described as flow-through accounting services.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director or officer of the Corporation and no associate of any director or officer of the Corporation was indebted to the Corporation at any time during the financial year ended December 31, 2011.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No insider (as such term is defined in the *Securities Act* (Ontario)) or any associate or affiliate of the foregoing has any interest, direct or indirect, in any material transactions in which the Corporation has participated within the three years prior to the date hereof, or in any proposed transaction which has materially affected or will materially affect the Corporation except as otherwise disclosed in the Circular.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except in so far as they may be shareholders or as otherwise disclosed in the Circular, no person who has been a director or an officer of the Corporation at any time since the beginning of its last completed financial year, any proposed nominee for election as a director of the Corporation or any associate or affiliate of such persons 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.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com. Financial information relating to the Corporation is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year. Copies of these documents will be provided, upon request, free of charge to shareholders of the Corporation.

By order of the Board of Directors

"John Hansuld"

John Hansuld
Chairman

Toronto, Ontario
October 26, 2012

SCHEDULE "A"

STATEMENT OF GOVERNANCE PRACTICES

A summary of the Corporation's governance initiatives in relation to the new guidelines for effective corporate governance pursuant to National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") and National Policy 58-201 - *Corporate Governance Guidelines* ("NP 58-201") is set out below.

Information about the Corporation's Directors

Independence of Directors

The board of directors has determined that following the Annual General and Special Meeting of the Corporation to be held November 28, 2012, 5 out of 6 or 83% of the directors will be independent for the purpose of NI 58-101. The independent directors will be John Hansuld, Garfield Mitchell, Lawrence D. Smith, David Brace and John McCleery. Mr. Edwards will not be independent as he is the President of the Corporation.

Other Directorships

John A. Hansuld is a director of SLAM Exploration Ltd and Eastmain Resources Inc. John McCleery is a director of Creston Moly Corp.

Orientation and Continuing Education

The board of directors is responsible for the orientation and education of new recruits to the board of directors and all new directors with a copy of the directors and officers insurance policies maintained by the Corporation, a copy of the Corporation's policies and the Corporation's most recent significant public disclosure documents. Prior to joining the board of directors, each new director will meet with the Chairman, the Chief Executive Officer and the Chief Financial Officer of the Corporation. Each such officer shall be responsible for outlining the business and prospects of the Corporation, both positive and negative, with a view to ensuring that the new director is properly informed to commence his or her duties as a director. Each new director will also be given the opportunity to meet with the auditors and counsel to the Corporation. As part of the annual board assessment process the board determines whether any additional education and training is required for board members.

Code of Business Ethics

The board of directors has adopted a formal written Code of Business Conduct and Ethics.

Nomination of Directors

The board of directors determines new nominees to the board of directors, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the members of the board of directors, including both formal and informal discussions among board of director members and the President and Chief Executive Officer. The current size of the board of directors is such that the entire board of directors takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed with one or more members of the board of directors prior to the proposed director's nomination.

Assessments

The board of directors does not, at present, have a formal process in place for assessing the effectiveness of the board of directors as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the board of directors, the board of directors considers a formal assessment process to be inappropriate at this time. The board of directors plans to continue evaluating its own effectiveness on an ad hoc basis.

CEO and Director Compensation

The board of directors conducts an annual review of the performance of the Corporation and the CEO which is used by the board of directors in its deliberations concerning the CEO's annual compensation. The board of directors also reviews the compensation of the outside directors on an annual basis, taking into account such matters as time commitment, responsibility and compensation provided by comparable organizations.

SCHEDULE “B”
AUDIT COMMITTEE CHARTER
VIKING GOLD EXPLORATION INC.
(the “Corporation”)

(Implemented pursuant to Multilateral Instrument 52-110 *Audit Committees*)

PART 1

Purpose:

The purpose of the Committee is to:

- (a) improve the quality of the Corporation’s financial reporting;
- (b) assist the board of directors to properly and fully discharge its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor’s independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

1.1 Definitions

“accounting principles” has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principle, Auditing Standards and Reporting Currency*;

“Affiliate” means a Corporation that is a subsidiary of another Corporation or companies that are controlled by the same entity;

“audit services” means the professional services rendered by the Corporation’s external auditor for the audit and review of the Corporation’s financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

“Charter” means this audit committee charter;

“Committee” means the committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation;

“Control Person” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation, or that holds more than 20% of the outstanding voting shares of the Corporation except where there is evidence showing that the holder of those securities does not materially affect the control of the Corporation.

“financially literate” has the meaning set out in the Instrument;

“immediate family member” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“Instrument” means Multilateral Instrument 52-110 *Audit Committees*;

“MD&A” has the meaning ascribed to it in National instrument 51-102;

“Member” means a member of the Committee;

“National Instrument 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*; and

“non-audit services” means services other than audit services.

PART 2

2.1 Audit Committee

The board of directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

2.2 Relationship with External Auditors

The Corporation will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

2.3 Committee Responsibilities

1. The Committee shall be responsible for making the following recommendations 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 Corporation; and
 - (b) the compensation of the external auditor.
2. The Committee shall be directly responsible for overseeing 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 Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
 - (a) reviewing the audit plan with management and the external auditor;
 - (b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
 - (c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

- (e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
 - (f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;
 - (g) reviewing interim unaudited financial statements before release to the public;
 - (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report, the annual information form and management's discussion and analysis;
 - (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
 - (j) reviewing the terms of reference of the internal auditor, if any;
 - (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
 - (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.
3. The Committee shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditor.
 4. The Committee shall review the Corporation's financial statements, MD&A, and annual and interim earnings press releases before the Corporation publicly discloses this information.
 5. The Committee shall ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and shall periodically assess the adequacy of those procedures.
 6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.
 7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.
 8. The Committee shall, as applicable, establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
 9. As applicable, the Committee shall establish, periodically review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
 10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

2.4 De Minimus Non-Audit Services

The Committee shall satisfy the pre-approval requirement in subsection 2.3(3) if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the issuer and its subsidiary entities to the issuer's external auditor during the financial year in which the services are provided;
- (b) the Corporation or the subsidiary of the Corporation, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3(3).
2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall not be employees, Control Persons or officers of the Corporation.
4. If practicable, given the composition of the directors of the Corporation, each audit committee member shall be financially literate.

PART 4

4.1 Authority

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee,
- (c) to communicate directly with the internal and external auditors; and
- (d) to recommend the amendment or approval of audited and interim financial statements to the board of directors.

PART 5

5.1 Disclosure in Information Circular

If management of the Corporation solicits proxies from the security holders of the Corporation for the purpose of electing directors to the board of directors, the Corporation shall include in its management information circular the disclosure required by Form 52-110F2 (Disclosure by Venture Issuers).

PART 6

6.1 Meetings

1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.