



**INFORMATION CIRCULAR**  
**For the Annual Meeting of Shareholders**  
**to be held on June 19, 2018**

**This Information Circular is furnished in connection with the solicitation of proxies by the management of PrimeWest Mortgage Investment Corporation for use at the annual general meeting (the “Meeting”) of its shareholders to be held on June 19, 2018 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.**

In this Information Circular, references to “the Corporation”, “we”, “our” and “PrimeWest” refer to **PrimeWest Mortgage Investment Corporation**. “Common Shares” means Class A common shares without par value in the capital of the Corporation. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

**GENERAL PROXY INFORMATION**

*Solicitation of Proxies*

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

**APPOINTMENT OF PROXYHOLDERS**

*General*

The persons named in the accompanying form of proxy are directors and/or officers of the Corporation and are nominees of Management.

**A shareholder of the Corporation has the right to appoint a person, other than the person designated in the accompanying form of proxy (who need not be a shareholder of the Corporation, or otherwise entitled to attend and vote at the Meeting) to attend and act for the shareholder and on the shareholder’s behalf at the meeting.** A shareholder desiring to appoint some other person may do so either by inserting the desired person’s name in the blank space provided for that purpose in the accompanying form of proxy or by completing another proper form of proxy.

### *Voting by Proxyholder*

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy and, if applicable, for the nominees of management for directors and auditors as identified in the Proxy.**

### *Registered Shareholders*

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders who wish to submit a proxy may choose one of the following voting options:

- (a) complete, date and sign the Proxy and return it to Computershare, by mail to Proxy Department, 135 West Beaver Creek, P.O. Box 300, Richmond Hill, ON L4B 4R5, at least 48 hours excluding Saturdays, Sundays and holidays) preceding the Meeting or any adjournment thereof. Proxies may be mailed to Computershare at the address indicated above or proxies may be delivered by hand to Computershare, 8<sup>th</sup> Floor, 100 University Ave., Toronto, ON M5J 2Y1, or by phone at 1-866-732-8683; or
- (b) use a touch-tone phone to transmit voting choices to the toll free number given in the proxy. Registered shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) via the internet at Computershare's website, [www.investorvote.com](http://www.investorvote.com). Registered shareholders must follow the instructions provided and refer to the enclosed proxy form for the holder's account number and the proxy access number.

In either case registered shareholders must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof. Failure to complete or deposit a proxy properly may result in its invalidation. The time limit for the deposit of proxies may be waived by the Corporation's board of directors (the "Board") at the discretion of the Board without notice.

### *Beneficial Shareholders*

**The following information is of significant importance to shareholders who do not hold Common Shares in their own name.** Beneficial Shareholders should note the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of intermediaries. In Canada the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial Shareholders: Objecting Beneficial Owners ("OBOs") who object to their name being disclosed to the issuers of securities they own; or Non-Objecting Beneficial Owners ("NOBOs") who do not object to the issuers of the securities they own knowing who they are.

The Corporation is taking advantage of NI 54-101 provisions permitting it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These security holder materials are being sent to both registered and non-registered owners of the securities of the Corporation. If you are a non-registered owner, and the Corporation or its agent sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf. Please return your VIF as specified in the request for voting instructions that was sent to you.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise this right, insert the name of your desired representative (which may be you) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of the Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted, or to have an alternate representative duly appointed to attend the Meeting and vote your Common Shares at the Meeting.**

## REVOCAION OF PROXIES

Any shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by a shareholder by depositing a written notice of revocation signed by the shareholder or the shareholder's attorney authorized in writing:

- (a) at the registered office of the Corporation, at 1000 - 2002 Victoria Avenue, Regina, SK, S4P 0R7, at any time up to and including the close of business on the last business day preceding the day of the Meeting or an adjournment thereof at which the proxy is to be used;
- (b) with the Chairperson of the Meeting on the day of the Meeting or an adjournment thereof; or
- (c) by signing another proxy bearing a later date and depositing it at Computershare, Proxy Department, 135 West Beaver Creek, P.O. Box 300, Richmond Hill, ON L4B 4R5 or by **hand to Computershare, 8<sup>th</sup> Floor, 100 University Ave., Toronto, ON M5J 2Y1, or by phone at 1 (866) 732-8683 or on the Web at [www.investorvote.com](http://www.investorvote.com)** within the time stated above for delivery of proxies.

## VOTING OF PROXIES

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** The person appointed as proxy will vote or withhold from voting the shares represented thereby in accordance with the direction of the shareholder(s) appointing such person. In the absence of such direction, such shares will be voted in favour of or for, as the case may be, the matters identified in the Notice of Annual Meeting accompanying this Information Circular.

The person appointed as proxy also has discretionary authority and may vote the shares represented thereby as such person considers best with respect to amendments or variations to matters identified in the Notice of Meeting or other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

## VOTE BY INTERNET

Shareholders may use the internet site at [www.investorvote.com](http://www.investorvote.com) to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the website and will be prompted to enter their Control Number, which is located on the form of proxy. If shareholders vote by internet, their vote must be received not later than **3:00 pm (CST) on June 17, 2018** or 48 hours prior to the time of any adjournment of the Meeting. The website may be used to appoint a proxy holder to attend and vote on a shareholder's behalf at the Meeting and to convey a shareholder's voting instructions. If a shareholder subsequently wishes to change their appointment, such shareholder may resubmit their proxy and/or voting direction prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previously submitted proxies will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

## NOTICE AND ACCESS

The Canadian Securities Administrators have adopted amendments to NI 54-101, which allow for the use of the "notice and access" provisions for the delivery of meeting materials.

Under the notice and access provisions, reporting issuers are permitted to deliver the meeting materials by posting them on SEDAR as well as a website other than SEDAR and sending a notice package to each shareholder receiving the meeting materials under these provisions. The notice package must include: (i) the relevant form of proxy or voting instruction form; (ii) basic information about the meeting and the matters to be voted on, (iii) instructions on how to obtain a paper copy of the meeting materials; and (iv) a plain-language explanation of how the notice and access system operates and how the meeting materials can be accessed online.

The Corporation has elected not to send its meeting materials using the notice and access provisions.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, "Person" shall include each person who: (a) has been a director or executive officer of the corporation at any time since the beginning of the Corporation's last financial year; or (b) who is an associate or affiliate of any person listed in subparagraph (a).

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Board has fixed the close of business on May 10, 2018 as the record date for the Meeting (the "**Record Date**").

The authorized capital of the Corporation consists of an unlimited number of Class A shares ("**Class A Shares**") and an unlimited number of Class B shares ("**Class B Shares**"). Each Class A Share carries the right to one vote at all meetings of the shareholders of the Corporation and accordingly, shareholders of record as at the Record Date will be entitled to one vote for each Class A Share held by them. No Class B Shares are outstanding.

The Common Shares of the Corporation are listed on the Canadian Securities Exchange (the "CSE"). The Corporation is authorized to issue an unlimited number of Common Shares. As of the Record Date, there were 1,890,729 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all shares of the Corporation, except for Canadian Western Trust ITF MFG Ltd. Managed Accounts, which managed accounts control or direct, directly or indirectly, 241,236 Class A Shares, representing approximately 12.76% of the outstanding Class A Shares as of the Record Date.

A person who is a shareholder on the Record Date is entitled to vote his or her shares except to the extent that the person has transferred the ownership of any of his or her shares after the Record Date and the transferee of the shares produces properly endorsed share certificates or otherwise establishes that he or she owns the shares and demands, not later than ten days before the Meeting, that his or her name be included in the list of shareholders for the Meeting, in which case the transferee is entitled to vote his or her shares at the Meeting.

## **TRANSACTION OF BUSINESS**

At this Annual General Meeting shareholders are asked to elect directors and appoint auditors of the Corporation. It is recommended at this meeting that while, five directors be available for appointment only four be elected at this meeting.

PrimeWest has undergone significant financial change in the past two years. Management and the Board of Directors have spent considerable time realizing on a number of properties, foreclosing others, and carefully managing others so that payout could occur for the benefit of the Corporation. A down turn in the housing market in Saskatoon, Regina and other locations within the Province of Saskatchewan has also had an impact on the ability to realize on certain of the portfolio.

As of December 31, 2017, 27 mortgages were held in a portfolio of \$13,334,958. The portfolio as of March 31, 2018 consisted of 27 mortgages in the sum of \$14,219,431. This portfolio includes two hotel loans, in default, located in Swift Current, Saskatchewan and Medicine Hat, Alberta. The hotel loans are second position mortgages, subject to the actions of a first mortgage holder.

The uncertainty surrounding these mortgage loans has required PrimeWest, in accordance with sound Canadian accounting principles, to establish loan loss provisions. Management in consultation with the Corporation's auditors have established Expected Credit Losses on Defaulted Mortgages and Other Expected Lifetime Credit Losses in the amount of \$8,034,154, which is inclusive of loan loss provisions on the two hotel properties for the entire amount of the loans. At March 31, 2018, after accounting for these loan loss provisions, the realizable value of the mortgage portfolio of the Corporation is \$6,224,067.

In addition in July 2017 the Corporation found itself at risk, as a lender in first position began foreclosure proceedings on a condo development that the Corporation had funded in second position. The Board and Management were able to negotiate a transaction that saw the first lender being paid out by PrimeWest and the borrower agreeing to transfer title to PrimeWest. This resulted in PrimeWest obtaining title to sixteen condo units in Regina, Saskatchewan. Efforts to sell the units began immediately. To date three units have been sold. The remaining thirteen condo units in Regina, Saskatchewan and a duplex in Kindersley, Saskatchewan comprise the Assets taken in settlement of debt with a value of \$6,377,876 at March 31, 2018.

Since December 2016 thirteen mortgages have matured and been paid out. Four properties have been taken and sold for value, and two properties have been written off. In late 2017 Prime West tested the current lending market and two new loans have been made, with other new loan applications being pursued for consideration.

As a result of the uncertainty in the high rise condo sales, the two hotel loans and the slight decline in available interest rates for new loans, Management and the Board of Directors have determined that the rebuild of the net asset value to prior levels will be long term, and not necessarily in the best interests of the Corporation. Management has therefore been instructed to pursue expressions of interest for sale of corporate assets, with any bona fide offers to be brought to the shareholders for approval. If no bona fide expressions are forthcoming, then the Board of Directors and Management will pursue an orderly liquidation of corporate assets (with shareholder approval) in a continued effort to maximize value, with a view to returning capital to shareholders when available.

## **EXECUTIVE COMPENSATION**

### ***Named Executive Officers***

In this section “Named Executive Officer” (an “NEO”) means the Chief Executive Officer (the “CEO”), and the Chief Financial Officer (the “CFO”) as well as any additional individuals for whom disclosure would have been provided under Statement of Executive Compensation Form 51-102F6, except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year.

The following disclosure sets out the compensation that the Board intended to pay, make payable, award, grant give or otherwise provide to each NEO and director for the financial year ended December 31, 2017.

### ***Compensation Discussion and Analysis***

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation’s executive compensation objectives and processes and to discuss compensation decisions relating to its NEOs listed in the Summary Compensation Table that follows. During its fiscal year ended December 31, 2017, the following individuals were NEOs of the Corporation:

- Brad Penno, CEO (August 22, 2016 to May 15, 2017 )
- Marlene Kaminsky, CFO and Interim CEO (May 16, 2017 to December 31, 2017);
- Marlene Kaminsky, CFO (June 2015 to May 15, 2017);

The function of the Compensation Committee generally has been to assist the Board in carrying out its responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Corporation’s base compensation structure and equity-based compensation programs, recommending compensation of the Corporation’s officers and employees, and evaluating the performance of officers generally and in light of the Corporation’s annual goals and objectives.

The Board assumes responsibility for reviewing and monitoring the short and long-range compensation strategy for the senior management of the Corporation. Historically the Corporation’s Compensation Committee received independent competitive market information on compensation levels for executives.

### ***Philosophy and Objectives***

The Corporation’s compensation policies and programs have been designed to be competitive with similar mortgage investment corporations and to recognize and reward executive performance consistent with the success of the Corporation’s business. The Corporation relies solely on the discussions of the Board, without any formal objectives, criteria and analysis, for determining executive compensation. For the 2018 fiscal year the Board has analyzed the Corporation’s needs having regard to the current mortgage portfolio.

### ***Base Salary***

In the Board’s view, paying base salaries which are competitive in the markets in which the Corporation operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

The Corporation believes that encouraging its executives and employees to become shareholders is an effective way of aligning their interests with those of its shareholders. The Board continues to review and redesign the overall compensation plan for senior management so as to continue to address these objectives.

***Summary Compensation Table***

The following table sets forth the compensation for the NEO's for the year ended December 31, 2017 and for each of the preceding two years, as applicable:

<b>Name and principal position</b>	<b>Year</b>	<b>Salary/Fees</b>	<b>Non-equity incentive plan compensation</b>	<b>All other compensation</b>	<b>Total Compensation</b>
<b>(a)</b>	<b>(b)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
<b>Marlene Kaminsky, * CFO / CFO and Interim CEO</b>	2017	\$114,375.00	Nil	Nil	\$114,375.00
	2016	\$100,548.83	Nil	Nil	\$100,548.83
	2015	\$97,000.08	\$8,800.00	Nil	\$105,800.08
<b>Brad Penno, CEO</b>	2017	\$48,589.12	Nil	Nil	\$48,589.12
	2016	\$43,692.31	Nil	Nil	\$43,692.31
<b>Don Zealand, CEO</b>	2016	\$67,564.17	\$31,246.27	\$1,837.50	\$100,647.94
	2015	\$155,000.00	\$62,104.40	\$4,200.00	\$221,304.40

\* Effective May 16, 2017 Marlene Kaminsky assumed the additional duties of Chief Executive Officer on an indefinite basis. From June 29, 2016 to the present Marlene Kaminsky CPA, CMA has served as the Chief Financial Officer of the Corporation. Prior to this Ms. Kaminsky served as the Acting Chief Financial Officer of the Corporation since May 29, 2015 and Controller of the Corporation beginning in May 2013.

The Corporation employed Brad Penno as Chief Executive Officer from August 22, 2016 until his resignation on May 15, 2017. Mr. Penno provided valuable service to the Corporation and continues to be available to PrimeWest on a consultative basis.

The Corporation employed Don Zealand from March 23, 2011 until June 6, 2016 at which time Mr. Zealand was relieved of his duties for insubordination and for failure to adhere to corporate lending policies. Thomas Archibald and Douglas Frondall served as Acting Co-Presidents and Interim Co-CEO's from June 6, 2016 until August 22, 2016 at which time Brad Penno was appointed CEO of the Corporation.



The officers of the Corporation are also entitled to be reimbursed for reasonable out-of-pocket expenses incurred while acting as an officer of the Corporation.

## DIRECTORS COMPENSATION

The following table sets forth the compensation paid to the directors of the Corporation for the year ended December 31, 2017:

Name	Term	Fees earned (\$)	All other compensation (\$)	Total (\$)
(a)		(b)	(c)	(d)
Tom Robinson <sup>(1)(3)</sup>	June 8, 2016 to Present	\$23,700.00	Nil	\$23,700.00
Thomas Archibald <sup>(2)(3)</sup>	May 2007 to Present	\$17,900.00	Nil	\$17,900.00
Francis Bast <sup>(1)(2)</sup>	July 2005 to Present	\$19,400.00	Nil	\$19,400.00
Doug Frondall	May 2008 to June 2017	\$8,800.00	Nil	\$8,800.00
Wilson Olive <sup>(1)(3)</sup>	August 22, 2016 to Present	\$17,500.00	Nil	\$17,500.00

(1) *Member of the Audit Committee*

(2) *Member of the Credit Committee*

(3) *Member of the Corporate Governance & Human Resource Committee*

The members of the Board are entitled to reasonable compensation proportional to the services provided by them to the Corporation. Each member of the Board receives \$1,000.00 per month, which is paid to each of them in cash by the Corporation on a monthly basis. The members of the Board are also entitled to be reimbursed for reasonable out-of-pocket expenses incurred while acting as a director of the Corporation. Additional compensation includes \$400.00 per month for the Chair of the Audit Committee, Chair of the Credit Committee, Chair of the Compensation Committee and Chair of the Governance Committee, and \$500.00 per month for the Chair of the Board. Each member of the Corporate Governance Committee, Audit Committee, and Compensation Committee receive \$200.00 per month.

Until June 30, 2017 Wilson Olive, who served as Counsel at Olive Waller Zinkhan & Waller LLP had provided legal services to the Corporation from time to time, and any legal fees rendered were in addition to remuneration paid to Mr. Olive in his capacity as director.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation, proposed director of the Corporation, or associate or affiliate of any informed person or proposed director (collectively “Insiders” see Definitions below), have any material interest, direct or indirect, in any transaction since the commencement of the Corporation’s most *recently completed financial year or in any proposed transaction which has materially affected or would materially affect* the Corporation.

## INDEBTEDNESS OF DIRECTORS AND OFFICERS

In July 2006 the Corporation advanced an interest-free loan to certain of its directors or past-directors, all of which have been repaid in full save and except for the loan of \$50,000.00 to Gordon S. Wyant (past-

director) of which \$10,800.00 plus accrued interest is currently outstanding. The proceeds of the loans were utilized by such directors or past-directors to acquire additional Class A Shares. This loan program has been cancelled and the loan to Mr. Wyant is the sole amount outstanding.

## MANAGEMENT CONTRACTS

There are no management functions of the Corporation, which are to any substantial degree performed by a person or Corporation other than the directors or executive officers of the Corporation.

## ELECTION OF DIRECTORS

The Articles of Incorporation of the Corporation (the "**Articles**") currently provide for a minimum of 3 directors and a maximum of 10 directors, as determined by the Board from time to time. The Board has fixed the number of directors at four with four to be elected at this meeting. Unless the director's office is vacated earlier in accordance with the provisions of *The Business Corporations Act* (Saskatchewan) ("SCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Corporation, or if no director is then elected, until a successor is elected.

It is proposed that four (4) directors be elected at this meeting, and the following disclosure sets out the names of management's nominees for election as directors, all major offices and positions with the Corporation each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

<b>Name &amp; Residence of Nominee</b>	<b>Principal Occupation (last 5 years)</b>	<b>Office and period of Service</b>	<b>Class A Shares owned or controlled</b>
Thomas Archibald Saskatoon, SK	President, Eden Health Solutions	Director since May 30, 2007	63,807
Francis Bast Regina, SK	Director, Sales and Development, Century West Development (2006) Corporation, President of Century Management and Development Ltd.	Director since July 2005 Chair of Credit Committee	41,417
Wilson Olive Regina, SK	Partner (to 2012) and Counsel at Olive Waller Zinkhan & Waller LLP until June 30, 2017	Director since August 22, 2016 / Chair of Governance Committee	-
Tom Robinson Regina, SK	Retired Chartered Accountant	Director since June 8, 2016 Chairman and Chair of Audit Committee	1,000

None of the proposed nominees for election as a director of the Corporation are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Corporation acting solely in such capacity.

## APPOINTMENT OF AUDITOR

KPMG LLP, chartered Accountants, will be nominated at the Meeting for appointment as auditor of the Corporation at remuneration to be fixed by the directors.

## AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 – *Audit Committees* (“NI 52-110”) of the Canadian Securities Administrators requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

### *The Audit Committee’s Charter*

The audit committee has a charter, copy of which is filed on [www.sedar.com](http://www.sedar.com).

### *Composition of the Audit Committee*

The current members of the audit committee are Tom Robinson, Wilson Olive and Francis Bast. All current members of the audit committee are considered to be independent and to be financially literate.

### *Audit Committee Oversight*

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than KPMG LLP.

### *Reliance on Certain Exemptions*

The Corporation’s auditor, KPMG LLP, has not provided any material non-audit services.

### *Pre-Approval Policies and Procedures*

The audit committee has adopted specific policies and procedures for the engagement of non-audit services which are set out in the Audit Committee Charter contained in the Information Circular filed on [www.sedar.com](http://www.sedar.com).

### *External Auditor Service Fees*

The audit committee has reviewed the nature and amount of the services provided by KPMG LLP and Ernst & Young LLP to the Corporation to ensure auditor independence. Fees incurred with KPMG LLP and Ernst & Young LLP for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Paid and/or Accrued to for KPMG LLP Year Ended December 31, 2017	Fees Paid and/or Accrued to Ernst & Young LLP for Year Ended December 31, 2016
Audit Fees <sup>(1)</sup>	\$ 40,000.00	\$ 63,900.00
Audit-Related Fees <sup>(2)</sup>		
Tax Fees <sup>(3)</sup>	\$ 12,700.00	\$ 2,600.00
All Other Fees <sup>(4)</sup>	\$ 800.00	\$ 3,000.00
Total	\$ 53,500.00	\$ 69,500.00

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit reviews of the Corporation’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All Other Fees” include all other non-audit services.

### ***Exemption***

The Corporation is a CSE issuer and relies on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

## **CORPORATE GOVERNANCE**

### ***Mandate of the Board of Directors***

The Board has a formal mandate as outlined in the Corporation’s Corporate Governance Policies and Procedures Manual (the “Governance Manual”). The Governance Manual mandates the Board to: (i) assume responsibility for the overall stewardship and development of the Corporation and monitoring of its business decisions, (ii) identify the principal risks and opportunities of the Corporation’s business and ensure the implementation of appropriate systems to manage these risks, (iii) oversee ethical management and succession planning, including appointing, training and monitoring of senior management and directors, and (iv) oversee the integrity of the Corporation’s internal financial controls and management information systems. The Governance Manual also includes written charters for each committee and it contains a code of ethics. Further, in the Governance Manual the Board encourages but does not require continuing education for all the Corporation’s directors. A copy of the Governance Manual is available prior to the Meeting upon request by contacting the Corporation directly at tel: (306) 955-1002 or fax: (306) 955-9511 or email: [info@primewest.ca](mailto:info@primewest.ca).

### ***Composition of the Board of Directors***

Applicable governance policies require that a listed issuer’s board of directors determine the status of each director as independent or not, based upon each director’s interest in or other relationship with, the Corporation. Applicable governance policies recommend that a board of directors be constituted with a majority of directors who qualify as independent directors (as defined below). A board of directors should also examine its size with a view to determining the impact of the number of directors upon the effectiveness of the board of directors, and the board of directors should implement a system which enables an individual director to engage an outside advisor at the expense of the corporation in appropriate circumstances. The Corporation’s policies allow for retention of independent advisors for members of the Board when they consider it advisable.

Under the policies, an “independent” director is one who “has no direct or indirect material relationship” with the Corporation. Generally speaking, a director is independent if he or she is free from any employment, business or other relationship which could, or could reasonably be expected to, materially interfere with the exercise of the director’s independent judgement. A material relationship includes having been (or having a family member who has been) within the last three years an employee or

executive of the Corporation or employed by the Corporation's external auditor. Any individual who (or whose family members or partners) received directly or indirectly, any consulting, advisory, accounting or legal fee or investment banking compensation from the Corporation (other than compensation for acting as a director or as a part time chairman or vice-chairman) is deemed to have a material relationship with the Corporation.

All of the Board nominees for election to the office of director, are to be considered "independent". These nominees will be, if elected, considered independent by virtue of their not being executive officers of the Corporation and having received no compensation other than in their role as directors.

### ***Directorships***

The Board monitors activities of senior management through regular meetings and discussions amongst the Board and between the Board and senior management. The Board is of the view that its communication policy between senior management, members of the Board and shareholders is good. The Board is satisfied with the integrity of the Corporation's internal control and financial management information systems.

### ***Committees of the Board of Directors***

Applicable regulatory governance policies require that (i) committees of the Board be composed of at least a majority of independent directors, (ii) the Board expressly assumes responsibility, or assigns responsibility to a committee of directors for the development of the Corporation's approach to governance issues, (iii) the Board's audit committee be composed of a majority of independent directors, and the role of the audit committee be specifically defined and must include the responsibility to oversee management's system of internal controls, (iv) the audit committee has direct access to the Corporation's external auditor, and (v) the Board appoint a committee, composed of a majority of independent directors, responsible for proposing new nominees to the Board and for assessing directors on an ongoing basis. The Corporation shall maintain the Committee structure in 2018, however with the reduced sized of the board, each director shall be considered as a member on each of the stated committees.

### ***Compensation Committee***

The compensation committee recommends compensation for the directors and executive officers of the Corporation. See further disclosure under *Executive Compensation and Directors Compensation* above. The Compensation Committee Charter is included in the Governance Manual.

Compensation committee functions include the annual review of compensation paid to the Corporation's executive officers and directors, and the review of the performance of the Corporation's executive officers.

### ***Credit Committee***

The Credit Committee is responsible for reviewing and approving management recommendation for residential and commercial mortgages, and for establishing from time to time guidelines for the manner in which mortgage applications are to be received and advanced for approval within the Corporation.

### ***Audit Committee***

The Audit Committee is responsible for overseeing the work of the Auditors, to assess major audit risk and to understand the audit strategy that is employed for the Corporation. For further information see *Audit Committee and Relationship with Auditor* within this Information Circular.

### ***Governance Committee***

The Governance Committee is responsible for developing and recommending the Corporation's approach to corporate governance and assists Board members in carrying out their duties. The Governance Committee also reviews all new and modified rules and policies applicable to governance of listed corporations to assure that the Corporation remains in full compliance with such requirements as are applicable to the Corporation.

### ***Board of Directors Decisions***

Good governance policies require the Board of a listed corporation, together with its chief executive officer, to develop position descriptions for the Board and for the chief executive officer, including the definition of limits to management's responsibilities. Any responsibility which is not delegated to senior management or to a Board committee remains with the full Board.

### ***Recruitment of Directors and Assessment of Board of Directors Performance***

Good governance policies require that (i) the board of directors of every listed corporation implement a process for assessing the effectiveness of the Board and its committees, and the contribution of individual directors, (ii) every corporation provide an orientation and education program for directors, and (iii) every board of directors review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director.

Please also see *Governance Committee* above.

### ***Ethical Business Conduct***

The Board has a formal ethics policy, which is contained in the Governance Manual. The Board also believes that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

### ***Nomination of Directors***

The Board has considered the size of and number of directors it feels is required to effectively address the needs and requirements of the Corporation in 2018. The appointment of four directors, each of whom has different range of views and experience is recommended for election at the annual general meeting of shareholders.

### ***Other Board Committees***

There are no committees of the Board other than the Audit Committee, the Credit Committee, the Compensation Committee and the Governance Committee described above.

## **ADDITIONAL INFORMATION**

### ***Financial Information***

Financial information is provided in the audited financial statements of the Corporation for the year ended December 31, 2017 and in the related management discussion and analysis and filed on SEDAR at [www.Sedar.com](http://www.Sedar.com).

### ***Advance Notice for Director Nominations***

The Corporation's Bylaw No. 3 requires advance notice for nominating directors at an annual meeting so there is a transparent, structured and fair process in the event of a potential proxy contest for the election of directors. The notice must include the name, address, age, principal occupation and certain other information about the nominees. For a summary of Bylaw No. 3, see attached Schedule "A" of the Corporation's Information Circular filed on May 5, 2015 under the Corporation's profile on SEDAR at [www.Sedar.com](http://www.Sedar.com).

You must send your nomination to the Corporation's no more than 10 days following the distribution date of this Information Circular and it must comply with the bylaw requirements to be eligible for presentation at the Meeting.

Additional information relating to the Corporation is filed on SEDAR at [www.Sedar.com](http://www.Sedar.com) and upon request from the Corporation's Chief Financial Officer at telephone no.: 306-651-4550 or fax no.: 306-955-9511. Copies of documents will be provided free of charge to security holders of the Corporation. The Corporation may require the payment of a reasonable charge from any person or Corporation who is not a security holder of the Corporation, who requests a copy of any such document.

## **OTHER MATTERS**

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Regina, Saskatchewan, May 15, 2018

## **BY ORDER OF THE BOARD**

***"Tom Robinson"***

**Tom Robinson**  
**Chair**