

The logo for MAWSON, featuring the word "MAWSON" in a bold, blue, italicized sans-serif font. Below the text is a stylized graphic consisting of a blue arc with a yellow-to-orange gradient, resembling a swoosh or a stylized wave.

ANNUAL INFORMATION FORM

OF

MAWSON RESOURCES LIMITED

1305 - 1090 West Georgia Street
Vancouver, British Columbia
V6E 3V7

For the Year Ended May 31, 2014

Dated: August 27, 2014

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PRELIMINARY NOTES

Financial Information

Incorporated by reference into this annual information form (“**AIF**”) are the audited consolidated financial statements and management’s discussion and analysis of Mawson Resources Limited (“we”, “us”, “our”, “Mawson” or the “Company”) for the year ended May 31, 2014, which are available under the Company’s profile at www.sedar.com. We have prepared all financial information in this AIF in accordance with international financial reporting standards.

Date of Information

All information in this AIF is as of May 31, 2014, unless otherwise indicated.

Forward Looking Statements

Certain of the statements made and information contained in this AIF are “forward-looking statements” or “forward-looking information” within the meaning of applicable securities laws (collectively, “**Forward-Looking Information**”). All statements, other than statements of historical fact that address activities events or developments that Mawson believes, expects or anticipates will or may occur in the future are Forward-Looking Information. Forward-Looking Information is often, but not always, identified by: the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect” and “intend”; statements that an event or result is “due” on or “may”, “will”, “should”, “could”, or “might” occur or be achieved; and, other similar expressions.

More specifically, Forward-Looking Information contained in this AIF includes, without limitation, statements concerning our plans at the Rompas-Rajapalot project, the timing and amount of estimated future production and mine life, expected future prices of gold or uranium and other minerals, mineral reserve and mineral resource estimates, estimated future exploration expenditures and other expenses for specific operations on the Rompas-Rajapalot project, permitting time lines, requirements for additional capital and reclamation costs; all of which involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such Forward-Looking Information.

Forward-Looking Information contained in this AIF is based on material factors and assumptions and is subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from the Forward-Looking Information. These include, without limitation, material factors and assumptions relating to, and risks and uncertainties associated with, the availability of financing for activities when required and on acceptable terms, the accuracy of the interpretation of drill results and the estimation of mineral resources and reserves, the geology, grade and continuity of mineral deposits, the consistency of future exploration, development or mining results with our expectations, metal price fluctuations, the achievement and maintenance of planned production rates, the accuracy of component costs of capital and operating cost estimates, current and future environmental and regulatory requirements, favourable governmental relations, litigation risks, the availability of permits and the timeliness of the permitting process, the availability of shipping services, the availability of specialized vehicles and similar equipment, costs of remediation and mitigation, maintenance of title to our mineral properties, industrial accidents, equipment breakdowns, contractor’s costs, remote site transportation costs, materials costs for remediation, labour disputes, the potential for delays in exploration or development activities, timely completion of future National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) compliant reports, timely completion of future feasibility studies, the

inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations, currency fluctuations, continuing global demand for base metals, expectations and beliefs of management and other risks and uncertainties, including those described under “*Risk Factors*” as described below in this AIF. Although we have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward-Looking Information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. We provide no assurance that Forward-Looking Information will prove to be accurate. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from any conclusions, forecasts or projections described in the Forward-Looking Information. Accordingly, readers are advised not to place undue reliance on Forward-Looking Information. Except as required under applicable securities law, we undertake no obligation to publicly update or revise Forward-Looking Information, whether as a result of new information, future events or otherwise.

Currency and Exchange Rates

All dollar amounts in this AIF are expressed in Canadian dollars unless otherwise indicated. References to “U.S. dollars”, or “US \$” are to United States dollars, references to “SEK” are to Swedish Kronas and references to “EUR” are to Euros.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in United States dollars in effect at various times.

	Year Ended May 31		
Canadian Dollars to U.S. Dollars	2014	2013	2012
Rate at end of period	US \$0.9202	US \$0.9672	US \$0.9663
Average rate for period	US \$0.9380	US \$0.9956	US \$0.9993
High for period	US \$0.9833	US \$1.0299	US \$1.0583
Low for period	US \$0.8888	US \$0.9599	US \$0.9430

The noon rate of exchange on May 30, 2014, as reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars was Canadian \$1.00 equals US \$0.9202.

The following table sets forth the rate of exchange for the Canadian dollar, expressed in Swedish Kronas in effect at various times.

	Year Ended May 31		
Canadian \$ to Swedish Krona	2014	2013	2012
Rate at end of period	SEK 6.1538	SEK 6.4061	SEK 7.0225
Average rate for period	SEK 6.1174	SEK 6.6040	SEK 6.6697
High for period	SEK 6.4683	SEK 6.9881	SEK 7.1124
Low for period	SEK 5.6883	SEK 6.1576	SEK 6.2854

The noon rate of exchange on May 30, 2014, as reported by the Bank of Canada for the conversion of Canadian dollars into Swedish Kronas was Canadian \$1.00 equals SEK 6.1538.

The Following table sets forth the rate of exchange for the Canadian dollar, expressed in Euros in effect at various times.

Canadian \$ to Euros	Year Ended May 31		
	2014	2013	2012
Rate at end of period	EUR 0.6747	EUR 0.7448	EUR 0.7816
Average rate for period	EUR 0.6927	EUR 0.7729	EUR 0.7393
High for period	EUR 0.7448	EUR 0.8228	EUR 0.7835
Low for period	EUR 0.6431	EUR 0.7314	EUR 0.6991

The noon rate of exchange on May 30, 2014, as reported by the Bank of Canada for the conversion of Canadian dollars into Euros was Canadian \$1.00 equals EUR 0.6747.

Metric Equivalents

The following table lists conversion factors for converting metric into Imperial units of measure:

To Convert from Metric	To Imperial	Multiply by
Hectares	Acres	2.471
Metres	Feet	3.281
Kilometres	Miles	0.621
Tonnes	Tons	1.102
Grams/Tonne	Ounces (troy)/ton	0.029
Kilograms	Pounds	2.205

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated on March 10, 2004 under the *Company Act* (British Columbia). As a result of the enactment by the British Columbia legislature of the *Business Corporations Act* (British Columbia) (the “BCA”), the Company filed a transition application with the British Columbia Registrar of Companies on April 16, 2004 and transitioned under and became subject to the BCA. Our registered office, as well as our head office, is located at Suite 1305 - 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7.

Intercorporate Relationships

The Company owns 100% of Mawson AB, a company incorporated in Sweden on November 1, 2005 and purchased as a shelf company on March 16, 2006. Mawson AB holds the Company’s projects in Sweden. On August 29, 2012, Mawson AB changed its name from Mawson Energi AB.

The Company also owns 100% of Mawson Oy, a company incorporated in Finland on November 7, 2011, which holds the Rompas- Rajapalot project.

The Company owns 100% of Kay Metals Ltd. (“**Kay Metals**”), a company incorporated under the laws of Barbados, which the Company acquired pursuant to an acquisition agreement dated January 4, 2011. Kay Metals’ sole asset is a condominium in Lima, Peru.

The Company and its subsidiaries, Mawson AB, Mawson Oy and Kay Metals, are referred to collectively in this AIF as the “Company” or “Mawson”, and by such terms as “we”, “our(s)”, or “us”, as the context requires.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

Financial Year Ended May 31, 2012

In November and December 2011, the Company announced a series of transactions that would reorganize the business and capital structure of the Company into two separate public companies (the “**Reorganization**”) which involved, among other things, the spin-out of the Company’s Peruvian assets to Darwin Resources Corp. (“**Darwin**”), including its interest in Mawson Peru S.A.C., Altynor Peru and the Alto Quemado Property, a plan of arrangement (the “**Plan of Arrangement**”) with Darwin and the sale (the “**Uranium Assets Sale**”) of certain uranium assets to European Uranium Resources Ltd. (“**European Uranium**”).

On March 1, 2012, the Company announced the completion of the Uranium Assets Sale with European Uranium, under which, European Uranium acquired (i) all of the issued and outstanding shares of T&M Resources A.B. (“**T&M**”), title and interest in the Uranium Assets and (ii) indebtedness of T&M in the amount of SEK 14,019,466.81 (approximately, \$2,126,750) in exchange for 53,639,848 common shares of European Uranium (the “**EU Shares**”) which were subject to the consolidation of European Uranium’s common shares on a five for one basis on March 1, 2012. The EU Shares were distributed to Mawson shareholders on a pro rata basis under the Plan of Arrangement.

On March 30, 2012, the Company received shareholder approval on the Plan of Arrangement.

On April 5, 2012, the Company received final approval from the Supreme Court of British Columbia to proceed with the Plan of Arrangement.

On April 30, 2012, the Company and Darwin completed the Plan of Arrangement. Under the Plan of Arrangement, among other things, holders of common shares of the Company received one new common share of the Company, one-third of one Darwin common share and approximately one-fifth of one EU Share for each one old Mawson share held.

On May 3, 2012, the old Mawson shares were delisted from the TSX and the new Mawson shares commenced trading on the TSX under “MAW”.

Pursuant to the implementation of the Plan of Arrangement and the contractual rights attached to previously issued warrants, adjustments were made to the number and exercise price of warrants that were outstanding as at April 30, 2012, and as a result, 4,217,012 warrants previously issued at an exercise price of \$1.00 were amended to 4,920,667 warrants at an exercise price of \$0.857 and 3,295,000 warrants previously issued at an exercise price of \$1.20 were amended to 3,876,470 warrants at an exercise price of \$1.02.

During fiscal 2012, the Company received \$319,020 pursuant to the exercise of 553,500 warrants and \$30,000 pursuant to the exercise of 25,000 stock options.

Financial Year Ended May 31, 2013

On February 4, 2013, the Company announced the appointment of Dr. Nick Cook as the Company's new Vice President of Exploration to be based in Finland to oversee the Company's exploration activities in the Nordic Region. Mr. Terry Lees, who previously held the position of Vice President of Exploration, moved to the role of Principal Consulting Geologist for the Company with particular focus of searching for new gold and copper properties in Sweden.

During fiscal 2013, the Company received \$3,871,999 pursuant to the exercise of 3,747,058 warrants and \$49,200 pursuant to exercise of 110,000 stock options.

Financial Year Ended May 31, 2014

On August 2, 2013, the Company closed the first tranche (the "**First Tranche**") of its 9,344,417 unit non-brokered private placement financing (the "**Placement**") that was announced by the Company on July 17, 2013. Under the First Tranche closing, the Company issued 5,710,417 units at \$0.45 per unit for proceeds of \$2,569,687, each unit consisting of one common share of Mawson and one-half of one non-transferable common share purchase warrant (the "**Warrants**"). Each whole Warrant is exercisable to acquire one additional common share of Mawson at a price of \$0.65 until August 2, 2015.

Sentient Global Resources Fund IV, L.P. (the "**Sentient Fund**"), part of a group of funds which is an insider of Mawson (the "**Sentient Group**"), subscribed for 7,334,000 Units under the Placement for gross proceeds of \$3,300,300 (the "**Sentient Placement**"). Under the First Tranche closing, the Sentient Fund was issued 3,700,000 units. Closing of the remaining 3,634,000 units (the "**Second Tranche**") to be issued to the Sentient Fund under the Sentient Placement was subject to satisfaction of the Approval Condition (as defined below).

In connection with the Sentient Placement, Mawson issued, or will issue assuming the exercise of all the Sentient Fund's Warrants, a total of 11,001,000 common shares, which is equal to approximately 19.6% of the common shares that were issued and outstanding on a non-diluted basis immediately prior to the announcement of the Placement. As a result, the TSX required as a condition of its acceptance of the Second Tranche that prior specific approval of the Second Tranche by Disinterested Shareholders (as defined below) be obtained, which approval was sought at a special meeting held on August 30, 2013 (the "**Approval Condition**").

For the purpose of the Approval Condition, "**Disinterested Shareholders**" meant the holders of common shares of Mawson excluding shares held by the Sentient Group and its funds and other affiliates and excluding votes attached to any common shares issued under the First Tranche closing.

On September 3, 2013, Mawson announced Disinterested Shareholder approval of the Second Tranche.

On September 9, 2013, Mawson announced closing of the Second Tranche under which the Sentient Fund was issued 3,634,000 Units for gross proceeds of \$1,635,300. Following closing of the Second Tranche, the Sentient Group holds approximately 35.05% of the issued and outstanding common shares of Mawson on a partially diluted basis (taking into account the full exercise of the Warrants issued to the Sentient Fund in connection with the Sentient Placement only).

On October 7, 2013, Mawson announced the granting of stock options to its directors, officers, employees and consultants to purchase up to 3,890,000 common shares of Mawson at an exercise price of \$0.52 per common share for a period of three years.

On January 20, 2014, Mawson announced the results of its Annual General Meeting of Shareholders at which Messrs. Michael Hudson, Nick DeMare, David Henstridge, Mark Saxon, Gil Leathley and Colin Maclean were re-elected as directors for the ensuing year and Mr. Gilbert Clark was elected as director.

Subsequently to fiscal 2014, on July 2, 2014, Mawson announced a decision made by TUKES (the Finnish Safety and Chemical Agency) to grant modified and renewed exploration claims titled Kairamaat 2 and 3 that cover a surface area of 1,462 hectares at Mawson's Rompas-Rajapalot project, that entitles Mawson drill access during winter conditions within Natura 2000 biodiversity areas. One administrative appeal by a non-governmental organization was subsequently filed against the decision made by TUKES to grant large drill rig access during winter new exploration permit over the Rajapalot area. Finnish Law allows an affected party to appeal any government authority decision. A standard review process by the regional administrative court is now underway to assess the validity of the appeal. A full review can take up to 10 months, however, the Company is looking to negotiate a faster settlement to enable larger rig access during the 2014/15 winter program.

DESCRIPTION OF THE BUSINESS

General

The Company's principal focus is conducting exploration activities on its Rompas-Rajapalot gold project in Finland. The Company currently has no operating mines or other revenue-producing mineral properties. We have been engaged in the search and evaluation of mineral properties for acquisition and further exploration and, if warranted, development.

As at the date of this AIF, the Company, including Mawson AB and Mawson Oy, had 13 employees/consultants - 9 full-time employees and consultants and 4 part-time employee and consultants. All aspects of our business require specialized skill and knowledge, including in the areas of exploration and mining, logistical planning and accounting.

We keep current with required and best practice environmental protection measures as part of our standard operating procedures in our exploration programs. As such we incur environmental protection costs as a component of operating expenditures and thus maintain our competitive position in the industry. As at the date of this AIF, the Company was not aware of any outstanding environmental liabilities on any of its properties.

Mawson has been dealing with certain Finnish environmental authorities in regards to work completed during the 2010 and 2011 field programs on the Rompas-Rajapalot project (refer to press release dated June 26, 2013). The issue involves allegations that the Company's hand dug trenches from these programs have affected the nature values of the area where the work was undertaken. The Company has now been informed that the investigative process is complete and the prosecutor has reviewed the investigative material and referred the matter to trial, with the case to be heard in the Kemi-Tornio District Court on October 14-15 2014. Mawson is pleased the case is advancing and will be handled through a formal legal process. Mawson believes the claims made are without merit and will vigorously defend itself and its employees. Mawson has always maintained that hand digging has no material impact on the nature values of the area in question. Mawson believes it conducted its operations within the intent and law of the Mining and Nature Conservation Acts.

Risk Factors

The Company's operations and financial performance are subject to various risks, as summarized below. The following risks do not necessarily comprise all of the risks to which Mawson is subject or will be subject to.

History of Net Losses; Financing Risks

Mawson has a reasonable cash position at this time. There is no assurance that additional funding will be available to us for further exploration and development of our projects or to fulfill our obligations under any applicable agreements. Without additional financing, we may delay or postpone indefinitely the exploration and development of our projects, which may result in the loss of such properties.

If our exploration programs are successful, additional funds will be required for further exploration and development to place a property into commercial production. The only source of future funds presently available to us is through the issuances of debt and/or equity, or the offering by us of an interest in any of our properties to be earned by another party or parties carrying out further exploration or development thereof. There is no assurance such sources will be available on favourable terms or at all. If available, future equity financings may result in substantial dilution to current shareholders.

Outstanding Environmental Litigation Regarding Rompas-Rajapalot Project

As described in the AIF under "Legal Proceedings and Regulatory Actions" Mawson has been dealing with certain Finnish environmental authorities in regards to work completed during the 2010 and 2011 field programs at the Rompas-Rajapalot project. The issue involves allegations that the Company's hand dug trenches from these programs have affected the nature values of the area where the work was undertaken. The matter has been referred to trial, with the case to be heard in the Kemi-Tornio District Court on October 14-15 2014. Litigation and regulatory proceedings are inherently uncertain and adverse rulings may occur, including: those requiring the Company to pay monetary damages or fines; an injunction stopping us from further exploring or developing the project; remediation of the property; or other penalties and remedies. Such a ruling may require us to incur significant costs or may have a material adverse effect on the Company. We are not currently covered by any form of environmental liability insurance.

Status of Certain Exploration Claims at Rompas-Rajapalot Project

On July 2, 2014, Mawson announced a decision made by TUKES (the Finnish Safety and Chemical Agency) to grant modified and renewed exploration claims titled Kairamaat 2 and 3 that cover a surface area of 1,462 hectares at Mawson's Rompas-Rajapalot gold project in northern Finland, that entitles Mawson drill access during winter conditions within Natura 2000 biodiversity areas. One administrative appeal by a non-governmental organization was subsequently filed against the decision made by TUKES to grant large drill rig access during winter new exploration permit over the Rajapalot area. Finnish Law allows an affected party to appeal any government authority decision. A standard review process by the regional administrative court is now underway to assess the validity of the appeal. A full review can take up to 10 months, however, the Company is looking to negotiate a faster settlement to enable larger rig access during the 2014/15 winter program. No assurance can be made that the matter will be determined in a shorter time frame or in Mawson's favour. An adverse outcome could cause the Company to curtail or cease exploration on the Rompas-Rajapalot project which may materially adversely affect the Company.

Uncertainty of Mineralization Estimates

The Rompas-Rajapalot project, the Company's only material property is in the early exploration stage and no known mineral resources or mineral reserves have been discovered on such property. At this stage, favourable results, estimates and studies, in respect of the Rompas-Rajapalot project, are subject to a number of risks, including, but not limited to: the limited amount of drilling and testing completed to date; the preliminary nature of any operating and capital cost estimates; the difficulties inherent in scaling up operations and achieving expected metallurgical recoveries; and the likelihood of cost estimates increasing in the future. There is no certainty that the expenditures to be made by us in the exploration of the Rompas-Rajapalot project described herein will result in a mineral resource or mineral reserve which can be legally and economically exploited. Most exploration projects do not result in the discovery of commercially mineable deposits.

Exploration and Mining Risks

The successful exploration and development of mineral properties is speculative. Such activities are subject to a number of uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Most exploration projects do not result in the discovery of commercially mineable deposits. There is no certainty that the expenditures made or to be made by the Company in the exploration and development of its mineral properties or properties in which it has an interest will result in the discovery of gold, copper or other mineralized materials in commercial quantities. While discovery of a deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that the current exploration programs of the Company will result in profitable commercial mining operations. Many factors may affect production on mineral properties, such as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short term factors, such as the need for orderly development of deposits or the processing of new or different grades, may have an adverse effect on mining operations and on the results of operations.

Economic extraction of minerals from identified gold deposits may not be viable

Whether a gold deposit will be commercially viable depends on a number of factors, including the particular attributes of a deposit, such as its size and grade; prevailing commodity prices; costs and efficiency of the recovery methods that can be employed; proximity to infrastructure; financing costs; and governmental regulations, including regulations relating to prices, taxes, royalties, infrastructure, land use, importing and exporting of commodities and environmental protection. The effect of these factors cannot be accurately predicted but any combination of these factors may result in the Company not receiving an adequate return on its invested capital, if any, and/or may result in the Company being unable to develop one or more of its properties.

Volatility and sensitivity to gold prices

Mawson's future revenues are directly related to the world market prices of gold as its revenues will be derived primarily from gold mining, assuming that Mawson is able to develop one or more of its projects.

Gold prices can be subject to volatile price movements, which can be material and can occur over short periods of time and are affected by numerous factors beyond Mawson's control. Factors that may affect the price of gold include industry factors such as: industrial and jewellery demand; the level of demand

for gold as an investment; sales and purchases of gold; speculative trading; and costs of and level of global gold production by producers of gold. Gold prices may also be affected by macroeconomic factors, including: expectations of future rate of inflation; the strength of, and confidence in, the US dollar (the currency in which the price of gold is generally quoted); other currencies; interest rates; and global or regional, political or economic uncertainties.

If, after the commencement of commercial production, uranium and/or gold prices fall below the costs of production at Mawson's mines for a sustained period of time, it may not be economically feasible to continue production at such sites. This would materially and adversely affect production, profitability and Mawson's financial position. A decline in uranium and/or gold prices may also require Mawson to write down its mineral reserves and mineral resources, which would have a material adverse effect on its earnings, financial position and shareholder returns. Mawson's future profitability may be materially and adversely affected by the effectiveness of any hedging strategy. While Mawson currently does not hedge or forward sell any of its future uranium and gold production, should circumstances in future so warrant (including to obtain debt financing), Mawson may hedge, or forward sell, future production.

Currency fluctuations may affect Mawson's margins

Our exploration programs make us subject to foreign currency fluctuations and such fluctuations may materially affect our financial position and results. For example, metals are generally sold at prices stated in U.S. dollars, while costs incurred are paid in the currency of the country in which the activities are undertaken (Canada, Sweden and Finland in our case). Prior to the commencement of production, the strength or weakness of the U.S. dollar affects our financial condition to the extent that certain liabilities may require payment in U.S. dollars from time to time. If we commence production at any of our properties and generate revenues, a weak U.S. dollar relative to the other currencies could impair our financial results since smelters pay for concentrate in U.S. dollars while the majority of operating costs would be in the currency of the country in which the activities are undertaken.

Compliance with and changes to current environmental and other regulatory laws, regulations and permits governing operations and activities of gold exploration companies, or more stringent interpretation, implementation, application or enforcement thereof, could have a material adverse impact on the Company

Mining and refining operations and exploration activities, refining and conversion in Sweden and Finland, are subject to extensive government regulation. Such regulations relate to production, development, exploration, exports, taxes and royalties, labour standards, occupational health, waste disposal, protection and remediation of the environment, mines decommissioning and reclamation, mine safety, toxic substances and other matters. Compliance with such laws and regulations has increased the costs of exploring, drilling, developing and constructing. It is possible that, in the future, the costs, delays and other effects associated with such laws and regulations may impact the Company's decision to proceed with exploration or development or that such laws or regulations may result in the Company incurring significant costs to remediate or decommission properties which do not comply with applicable environmental standards at such time. The Company believes it is in substantial compliance with all material laws and regulations that currently apply to its operations. However, there can be no assurance that all permits which the Company may require for the conduct of uranium exploration operations will be obtainable or can be maintained on reasonable terms or that such laws and regulations would not have an adverse effect on any gold exploration project which the Company might undertake. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions. These actions may result in orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Companies engaged in gold exploration operations may be required to

compensate others who suffer loss or damage by reason of such activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Permitting and Other Regulatory Requirements

Our current activities, including any exploration and development activities and commencement of production on our properties, require permits from various governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities generally experience increased costs, and delays in production and other schedules as a result of the need to comply with applicable laws, regulations and permits. We provide no assurance that we will obtain, on reasonable terms or on a timely basis, any of the permits we require for exploration, construction of mining facilities and conduct of mining operations, or that such laws and regulations would not have an adverse effect on any mining project that we may undertake.

As our principal project is in Finland, we must comply with the applicable laws, regulations and policies of such country and may face additional risks related to changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits and increased financing costs. Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in our activities, the extent of which cannot be predicted.

Failure to comply with applicable laws, regulations, and permits may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. We may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws. We are not currently covered by any form of environmental liability insurance.

Existing laws, regulations and permits, and any amendments thereof, governing operations and activities of mining companies, or more stringent implementations thereof, could have a material adverse impact on us and cause such events as increases in exploration and development expenditures or require abandonment or delays in development of existing and new mining properties.

Environmental Risks

Mining is subject to potential risks and liabilities associated with pollution of the environment and the disposal of waste products occurring as a result of mineral exploration and production. Environmental liability may result from mining activities conducted by others prior to the Company's ownership of a property. We are not currently covered by any form of environmental liability insurance. To the extent that the Company is subject to environmental liabilities, the payment of such liabilities would reduce otherwise available earnings and could have a material adverse effect on the Company. Should the Company be unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy, which could have a material adverse effect on us. In addition, the Company does not have coverage for environmental losses and other risks. Compliance with applicable environmental laws and regulations requires significant expenditures and increases mine development and operating costs.

Title Matters

The acquisition of title to mineral claims or mineral exploration contracts can be a very detailed and time-consuming process. Failure to comply with government requirements with respect to exploration permits and maintenance of mining claims may result in a loss of title. Title to and the area of mining claims may be disputed. While we have diligently investigated title to all of our mineral tenures and continue to do so, we provide no guarantee that we hold title to any of our properties. Title to the mineral tenures may be affected by undisclosed or undetected defects.

If we do not meet funding and other ongoing requirements, we risk losing our interests in our exploration and development properties. Upon completion of exploration activities on our principal properties, we may not be able to obtain the necessary licenses to conduct mining operations, and thus would realize no benefit from such exploration activities.

Insurance Risk

We provide no assurance that insurance to cover the risks related to the Company's activities will be available at all or at economically-feasible premiums. Insurance against environmental risks (including potential for pollution or other hazards as a result of the disposal of waste products occurring from production) is not generally available to us or to other companies in the mineral exploration and development industry. The payment of such liabilities would reduce our available funds. If we are unable to fund fully the cost of remedying an environmental problem, we might be required to suspend operations or enter into interim compliance measures pending completion of the required remedy.

Stage of Development and Limited Operating History

All of our properties are in the exploration stage and we do not have an operating history. There can be no assurance that we will be able to develop and operate our properties, or any one of them, profitably, or that our activities will generate positive cash flow. As a result of our lack of operating history, we face many of the risks inherent in starting a new business. Industrial minerals exploration involves a high degree of risk. The amounts attributed to our interest in properties as reflected in our consolidated financial statements represent acquisition and exploration expenses and should not be taken to represent realizable value. Hazards such as unusual or unexpected geological formations and other conditions are involved.

Dependence On Key Management

Our development to date has largely depended on, and in the future will continue to depend on, the efforts of key management personnel, namely Michael Hudson (President and Chief Executive Officer). Loss of any of the Company's key management personnel could have a material adverse effect on the Company.

Conflicts of Interest

Our directors and officers may serve as directors or officers of other companies which may compete with us for mineral exploration projects. In addition, corporate opportunities giving rise to potential conflicts of interest may occur from time to time. In the event that such a conflict of interest arises at a meeting of our directors, a director who has such a conflict is required by law to abstain from voting with respect to certain such matters. Our directors are required by law to act honestly, in good faith and in the Company's best interests.

Share Price Fluctuations

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, the per share price of the common shares of Mawson fluctuated from a high of \$1.74 to a low of \$0.45 within the financial year ended May 31, 2013. We provide no assurance that continual fluctuations in price will not occur.

Potential Dilution

The issuance of our common shares upon the exercise of options and warrants will dilute the ownership interest of our current shareholders. We may also issue additional options and warrants or additional common shares from time to time in the future. If we do, the ownership interest of our shareholders could also be diluted.

Political Risk

We operate or hold investments in Scandinavia and Canada. The Company does not currently regard the political nature of these countries as a deterrent to operations or investment. Future government actions concerning economic policy or the operations and regulations of critical resources such as mines could have a significant effect on the Company. The Company does not have, nor does it plan to purchase, any type of political risk insurance, for any of the countries in which it operates.

Mineral Projects

General

The Company currently has one material property for the purposes of NI 43-101, the Rompas-Rajapalot gold-uranium project in Finland.

Rompas-Rajapalot, Finland

A report entitled “Progress Report on the Geology, Mineralization and Exploration Activities on the Rompas-Rajapalot gold-uranium project, Peräpohja Schist Belt, Lapland, Finland” and dated August 27, 2014 (the “**Technical Report**”) was prepared for the Company by Michael Hudson, a non-independent Qualified Person (as defined under NI 43-101) and the Chairman, President and Chief Executive Officer and a director of Mawson and a Fellow of the Australasian Institute of Mining and Metallurgy. The Technical Report is available under the Company’s profile on SEDAR at www.sedar.com and on the Company’s website at www.mawsonresources.com. The following disclosure relating to the Rompas-Rajapalot project is an excerpt of the summary of the Technical Report, which has been updated only to conform defined terms to the AIF. The entire Technical Report is incorporated by reference herein, and readers are encouraged to review the complete text of the Technical Report available under Mawson’s profile at www.sedar.com. References to the “author” in the following disclosure refer to Michael Hudson. A full list of references cited by the author is contained in the Technical Report.

The following summary is not exhaustive. The Technical Report is intended to be read as a whole, and sections should not be read or relied upon out of context. The Technical Report contains the expression of the professional opinions of a Qualified Person (as defined under NI 43-101) based upon information available at the time of preparation of the Technical Report. The following

disclosure, which is derived from the Technical Report, is subject to the assumptions and qualifications contained in the Technical Report.

The Rompas-Rajapalot gold-uranium project is located in the Ylitornio and Rovaniemi municipalities of northern Finland at 66.45°N and 24.75°E, approximately 50 kilometres (“**km**”) west of the Rovaniemi town.

The Rompas project is a new camp-scale discovery where high-grade gold and uranium have been found within an area approaching 10km by 10km. Mawson acquired the project in April 2010 and outlined the initial hydrothermal nuggety gold vein discovery over a 6.0 kilometres strike and 200-250 metres width. In 2013, a new style of disseminated gold mineralization was drilled at Rajapalot, 8 kilometres east of the Rompas vein system.

Mawson is focused on two target areas at Rompas-Rajapalot:

1. A primary target of disseminated gold mineralization at Rajapalot, where discovery of high grade and thick core sample results include 19.5m @ 7.4 g/t gold from 1.3 metres from PRAJ0006 and 5.4m @ 37.6 g/t gold from 2.5 metres from PRAJ0009 (including 1.0m @ 189.0 g/t gold from 6.9 metres) and 12.6m @ 3.6 g/t gold from 6.7 metres in PRAJ0005. This disseminated mineralization is coincident with geophysical anomalies that extend for more than 4 kilometres and has only been drilled to 30 metres maximum depth with a hand portable core sampler.
2. The Company’s secondary target is the Rompas vein-style target area. The first drill program at South Rompas included the highlight of 6 metres at 617 g/t gold from 7 metres in drill hole ROM0011 which includes 1 metre at 3,540 g/t gold from 11 metres depth. The second drill program, conducted over the winter (December 2012 - January 2013) confirmed the presence and variable continuity within metabasalts of high grade, nuggety gold at both North and South Rompas and included results from North Rompas of 0.4 m at 395 g/t gold and 0.41% uranium in drill hole ROM0052 and at South Rompas the top 24% all assays from trenches and drilling now grade 100 g/t or more.

The Rompas-Rajapalot property consists of 108 granted claims and 2 granted exploration permits (currently under one administrative appeal by a non-governmental organization) of 1,462 hectares and 1,292 hectares respectively at Rompas/Rajapalot (Table 1). The Company has staked additional claim applications, exploration permit applications and reservations in the Rompas area with potential for gold.

Core sample results in October 2013 at Rajapalot include 19.5m @ 7.4 g/t gold from 1.3 metres from PRAJ0006 and 5.4m @ 37.6 g/t gold from 2.5 metres from PRAJ0009 (including 1.0m @ 189.0 g/t gold from 6.9 metres) and 12.6m @ 3.6 g/t gold from 6.7 metres in PRAJ0005. The disseminated mineralization is coincident with a VTEM geophysical conductor that extends for more than 500 metres through an area with <1% outcrop, and forms part of a 3.5 kilometre target horizon between basaltic and quartzitic rocks.

Results from the maiden drill program at the Rompas vein system returned 6 metres at 617 g/t gold from 7 metres in drill hole ROM0011 including 1 metre at 3,540 g/t gold in August 2012. In February 2013, the first drill results from North Rompas, located 5km from South Rompas included 0.4m at 395 g/t Au and 0.41% U3O8 from 41m.

The project lies within the Peräpohja Schist Belt, a Paleoproterozoic supracrustal sequence of quartzites, mafic volcanics and volcanoclastics, carbonate rocks, black shales, mica schists and greywackes. At Rajapalot fine disseminated hydrothermal gold mineralization occurs within magnesian chlorite-biotite-tourmaline-pyrrhotite-scheelite bearing rocks, located near the contact between mafic rocks and relatively oxidized muscovite and hematite-bearing quartzites. The initial discovery area, Rompas, is a hydrothermal system of carbonate-calcisilicate-quartz veins hosted in poly-deformed amphibolite facies metabasalts, with some bituminous carbon. Detailed examination of the gold and uraninite in polished

thin section reveals a series of complex overprinting relationships and the origin of the mineralization remains unclear.

At this early stage of exploration, it is difficult to find a global analogue for mineralization. Within the vein system, gold and uranium mineralization is hosted by a carbonate-calcsilicate-quartz vein array and albitic vein breccias. The veins (amphibole-pyroxene-quartz-carbonate \pm native gold, uraninite) and alteration selvages (biotite-amphibole-K-feldspar) have been metamorphosed to amphibolite facies, following a structural episode of flattening within high strain zones. It is interpreted that the mineralized veins are either pre- or syn-deformational, but that the high-grade mineralization is likely a result of redistribution during syn-metamorphic deformation and perhaps superposition of new gold late in the metamorphic history.

The disseminated mineralization differs in that it is more sulphidic and continuous than the vein-style mineralization, and comprises fine disseminated gold mineralization within magnesian chlorite-biotite-tourmaline-pyrrhotite-scheelite rocks. The mineralized zone lies structurally between mafic rocks and relatively oxidized quartzites.

Importantly, about 90% of the Rompas-Rajapalot project area is below soil and till cover which, at up to 5m thick, is too thick for the discovery of near-surface radiometric occurrences and exploration is at its very earliest of stages.

A continuing program is recommended at Rompas-Rajapalot with the main goal over the next year to drill out an area with the aim to define the first NI 43-101 resource on the project and continue to work up adjacent prospect areas for deep drill testing:

1. Pole-Dipole Induced Polarization (“IP”) at 100 metre spacing over the main Rajapalot trend from Hirvimaa, Palokas to Rumajärvi prospects;
2. Gradient Array IP over the Joki prospect;
3. Maxwell modelling of the VTEM airborne geophysical survey at Rajapalot;
4. Deep till and basement grid drilling over the Raja prospect area to the east of the Natura 2000;
5. Subject to final permitting, diamond drill out an initial resource at Rajapalot on 100 metre drill sections at 50 metre down dip spacing over 2 kilometre strike. Approximately 500 metres per section over 2 kilometre strike is 10,000 metres;
6. Metallurgical test work on Palokas drill core.

An exploration and company-wide budget to carry out these programs is estimated at CDN\$6M.

INVESTMENTS

Investments

As of the date of this AIF, Mawson holds 3,500,000 common shares of Hansa Resources Limited, 75,000 common shares of Tumi Resources Limited (“**Tumi**”) and 600,000 common shares of Thomson Resources Limited.

DIVIDENDS

Dividends

There are no restrictions which prevent us from paying dividends. We have not paid any dividends on our common shares. The Company has no present intention of paying dividends on its common shares, as it anticipates that all available funds will be invested to finance the growth of its business. Our directors will determine if and when dividends should be declared and paid in the future, based on our financial position at the relevant time.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company is authorized to issue an unlimited number of common shares without par value. All of the issued common shares are fully-paid and non-assessable. As at August 27, 2014, 65,425,728 common shares were issued and outstanding.

The holders of common shares are entitled to receive notice of and attend all meetings of shareholders with each common share held entitling the holder to one vote on any resolution to be passed at such shareholder meetings. The holders of common shares are entitled to dividends if, as and when declared by the board of directors of the Company. The holders of common shares are entitled upon liquidation, dissolution or winding up of the Company to receive the remaining assets of the Company available for distribution to shareholders.

Convertible Securities

The Company has warrants and stock options outstanding as of August 27, 2014, under which common shares may be issuable as follows:

Warrants

Exercise Price \$	Number	Expiry Date
0.65	2,855,208	August 2, 2015
0.65	<u>1,817,000</u>	September 9, 2015
	<u>4,672,208</u>	

Stock Options

Number Outstanding	Exercise Price \$	Expiry Date
100,000	1.30	March 5, 2015
100,000	1.24	May 29, 2015
100,000	0.65	May 1, 2016
<u>3,850,000</u>	0.52	October 7, 2016
<u>4,150,000</u>		

MARKET FOR SECURITIES

Trading Price and Volume

The Company's common shares are listed and posted for trading on the TSX under the symbol "MAW".

During our most recently-completed financial year, the monthly price range and volume of trading of our common shares on the TSX were as follows:

Common Shares (Trading Symbol: "MAW")				
Month	High (Cdn.\$)	Low (Cdn.\$)	Average Close (Cdn.\$)	Total Volume for Month
May 2014	0.35	0.33	0.33	6,000
April 2014	0.46	0.34	0.34	76,200
March 2014	0.63	0.42	0.44	25,500
February 2014	0.56	0.39	0.53	78,900
January 2014	0.70	0.44	0.48	26,700
December 2013	0.68	0.42	0.43	13,200
November 2013	0.73	0.47	0.54	27,600
October 2013	0.76	0.34	0.71	34,900
September 2013	0.53	0.32	0.37	27,900
August 2013	0.60	0.48	0.48	25,400
July 2013	0.65	0.36	0.59	23,500
June 2013	0.62	0.45	0.50	18,600

Prior Sales

There have been no issuances or grants during the fiscal year ended May 31, 2014 that have not been listed or quoted on the TSX.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

Our directors and executive officers are listed below. The number of common shares of the Company's that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by all directors and executive officers as a group as of the date of this AIF is 5,003,988 shares representing 7.65% of issued shares. Each director and officer will hold office until his/her successor is elected or appointed, as applicable, unless his/her office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act* (British Columbia).

Name, Province/State and Country of Residence and Position with Mawson	Principal Occupation During Five Preceding Years ⁽¹⁾	Duration and Term of Office
Michael Hudson of Elwood, Victoria, Australia, President, Chairman, Chief Executive Officer and a Director.	President & Chief Executive Officer of Mawson. Mr. Hudson provides geological and management services to the Company through his company Sierra Peru Pty Ltd.	Director and officer since March 30, 2004. ⁽³⁾

Name, Province/State and Country of Residence and Position with Mawson	Principal Occupation During Five Preceding Years ⁽¹⁾	Duration and Term of Office
Mark Saxon of Bendigo, Victoria, Australia, a Director.	President of Tasman Metals Ltd., a TSX Venture Exchange (“TSXV”) and NYSE-MKT listed company.	Director since March 30, 2005.
David Henstridge ⁽²⁾⁽³⁾ of Victoria, Australia, a Director.	Self-employed professional geologist.	Director since March 30, 2004.
Nick DeMare of British Columbia, Canada. Chief Financial Officer and a Director.	President of Chase Management Ltd., a private company which provides accounting management, securities regulatory compliance and corporate secretarial services to companies listed on the TSXV and TSX, from 1991 to present.	Officer since December 19, 2007. Director since March 10, 2004.
Gillyeard Leathley ⁽²⁾⁽³⁾ of British Columbia, Canada, a Director.	Chief Operating Officer of Sunward Resources Ltd., a mineral exploration company, since February 2013. Previously, COO of Nova Gold Resources from November 2010 to November 2012 and independent mining consultant from 2000 to November 2010.	Director since December 17, 2007.
Colin Maclean ⁽²⁾⁽³⁾ of London, England, a Director.	Deputy Chairman and a founding partner of Sentient Group’s resources funds. For the past 10 years he has stewarded Sentient Group’s investments as a director of the investee companies under his direct responsibility.	Director since February 13, 2012
Gilbert Clarke of Montreal, Quebec	Geologist. Senior Investment Advisor with the Sentient Group., a private equity investment firm.	Director since January 17, 2014
Nicholas Cook of Queensland, Australia. VP - Exploration	Vice President of Exploration for the Company’s activities in Finland since January 2013. Previously, self-employed consulting geologist.	Officer since February 1, 2013.
Mariana Bermudez of British Columbia, Canada. Corporate Secretary.	Corporate Secretary of Mawson. Employed by Mawson Resources Limited since April 2013. Previously, employed by Tumi since January 2004 and legal secretary with Farris, Vaughan, Wills and Murphy from September 2001 to January 2004.	Officer since March 30, 2004.

- (1) The information as to principal occupation, not being within the knowledge of Mawson, has been furnished by the respective directors and officers
- (2) Denotes member of Audit Committee.
- (3) Member of the Compensation, Corporate Governance and Nominating Committees.

On June 22, 2012, the Company adopted Compensation Committee, Corporate Governance Committee and Nominating Committee Charters as well as an Environmental, Health and Safety Policy. Each of the Compensation, Corporate Governance and Nominating Committee Charters were last reviewed on August 27, 2014.

All directors hold office until the expiry of their terms of office or until they resign. Upon resignation a successor may be appointed by the board of directors. Directors may be removed by a resolution passed by not less than three quarters of the votes cast whereupon a successor may be elected by shareholders by ordinary resolution or appointed by the board of directors.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, none of the directors or executive officers of the Company (or any of their personal holding companies) is, or during the ten years preceding the date of this AIF has been, a director, chief executive officer or chief financial officer of any company, including the Company, that:

- (a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued while the proposed director was acting in that capacity; or
- (b) was subject to a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer of the relevant company and which resulted from an event that occurred while the proposed director was acting in that capacity;

Except as disclosed below, no director or executive officer (or any of their personal holding companies) or, to the best of the Company's knowledge, shareholder holding a sufficient number of securities to materially affect the control of the Company:

- (a) is, or during the ten years preceding the date of this AIF has been, a director or executive officer, of any company, including the Company, that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (b) has, within the ten years preceding the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

Except as disclosed below, no director or executive officer (or any of their personal holding companies) or to the best of the Company's knowledge, shareholder holding a sufficient number of securities to materially affect the control of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable investor of the Company in deciding whether to vote for a proposed director.

Nick DeMare was an independent director of Andean American Resources Limited ("**Andean American**") until January 2011. On August 2, 2007, Andean American was issued a cease trade order by

the British Columbia Securities Commission (“**BCSC**”) for deficiencies in Andean American’s continuous disclosure material related to its resource properties and for deficiencies in a previously filed NI 43-101 technical report. On October 22, 2007, Andean American filed an amended NI 43-101 technical report and issued a clarifying news release. The cease trade order was lifted and the shares resumed trading on October 24, 2007.

Nick DeMare is a director of Salazar Resources Limited (“**Salazar**”). On September 10, 2010, the BCSC issued a cease trade order against Salazar for failing to file a technical report on its Curipamba Project in Ecuador supporting its disclosure concerning mineral resource estimates on a news release dated February 25, 2009. Salazar filed a new technical report and the cease trade order was revoked by the BCSC on October 14, 2010 and its shares resumed trading on October 18, 2010.

Conflicts of Interest

To our knowledge, there are no existing or potential material conflicts of interest between the Company or any of its subsidiaries, directors, officers or subsidiaries.

Our directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which we may participate, our directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Company’s directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties thereby allowing for their participation in larger programs, permitting involvement in a greater number of programs and reducing financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of British Columbia, our directors are required to act honestly, in good faith and in our best interests. In determining whether or not we will participate in a particular program and the interest therein to be acquired by us, the directors will primarily consider the degree of risk to which we may be exposed and our financial position at that time.

Our directors and officers are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosures by the directors of conflicts of interest and we will rely upon such laws in respect of any directors’ and officers’ conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the laws of British Columbia and shall govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law. Our directors and officers are not aware of any such conflicts of interests.

AUDIT COMMITTEE

Audit Committee

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee’s charter, composition of the audit committee and the fees paid to the external auditor. Accordingly, we provide the following disclosure with respect to our audit committee:

Audit Committee Charter

The text of the Audit Committee’s charter is attached as Schedule “A” to this AIF.

Composition of the Audit Committee

The members of the Audit Committee are David Henstridge, Gillyeard Leathley and Colin Maclean, all of whom are independent members of the Audit Committee as defined by NI 52-110. A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the board of directors, reasonably interfere with the exercise of a member’s independent judgment. Each member of the Audit Committee is financially literate. An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Relevant Education and Experience

Each member of the Audit Committee has education and experience that is relevant to the performance of his responsibilities.

Gillyeard Leathley is a professional engineer with extensive experience in the mining industry. Mr. Leathley is also a director and audit committee member of various companies in the resource sector.

David Henstridge has a Bachelor of Science Degree (Honours) in Geology and over 40 years of experience working as a professional geologist and managing publicly trading companies in Australia and Canada. Mr. Henstridge also serves as a director and audit committee member of other publicly-listed resource companies.

Colin Maclean has a B.A (First Class Honours Geology) and is Deputy Chairman and a founding partner of the Sentient Group’s resources funds. For the past 10 years he has stewarded Sentient Group’s investments as a director of the investee companies under his direct responsibility.

External Auditor Service Fees (By Category)

The aggregate fees billed by our external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
May 31, 2014	39,650	Nil	Nil	Nil
May 31, 2013	\$49,250	\$27,375	\$17,300	\$Nil

- (1) The aggregate audit fees billed during the financial years.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our consolidated financial statements which are not included under the heading “Audit Fees”.
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is not a party to any legal proceedings or regulatory actions. The Company has continued to regularly meet all stakeholders including local groups, municipalities and administrative bodies to update them on the Company's work plans. For the most part the stakeholders have been supportive of the Company's work programs and how it has dealt with compliance issues, however there have been some objections and opposition to the Company's work plans and environmental efforts. Mawson has been dealing with certain Finnish environmental authorities in regards to work completed during the 2010 and 2011 field programs (refer to press release dated June 26, 2013) on the Rompas-Rajapalot project. The issue involves allegations that the Company's hand dug trenches from these programs have affected the nature values of the area where the work was undertaken. The Company has now been informed that the investigative process is complete and the prosecutor has reviewed the investigative material and referred the matter to trial, with the case to be heard in the Kemi-Tornio District Court on October 14-15 2014. Mawson is pleased the case is advancing and will be handled through a formal legal process. Mawson believes the claims made are without merit and will vigorously defend itself and its employees. Mawson has always maintained that hand digging has no material impact on the nature values of the area in question. Mawson believes it conducted its operations within the intent and law of the Mining and Nature Conservation Acts.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth herein and as described below, none of the directors or executive officers of the Company, nor any shareholder directly or indirectly beneficially owning, or exercising control or direction over, shares carrying more than 10% of the voting rights attached to the shares of the Company, nor an associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, in any transactions involving the Company that materially affected or would materially affect the Company or any of its subsidiaries.

As described under "General Development of the Business" above, the Sentient Fund, which forms part of the Sentient Group of funds, participated in the Sentient Placement. The Sentient Group currently holds 27.38% of the issued and outstanding Mawson common shares on a non-diluted basis. Colin MacLean, a director of Mawson and Deputy Chairman and a founding partner of the Sentient Group's resource funds, declared his interest and abstained from voting on Mawson's board of director's approval of the Sentient Placement.

TRANSFER AGENTS AND REGISTRARS

The Company's registrar and transfer agent is Computershare Investor Services Inc. The registers of transfers of the Company's securities are held in Vancouver, British Columbia and Toronto, Ontario.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, there are no material contracts the Company entered into within the most recently completed financial year, or before the most recently completed financial year that are still in effect.

INTERESTS OF EXPERTS

Names of Experts

The following persons, firms and companies are named as having prepared or certified a statement, report or valuation described or included in a filing, or referred to in a filing, made under National Instrument 51-102 – *Continuous Disclosure Obligations* by the Company during, or relating to, our most recently-completed financial year and whose profession or business gives authority to the statement, report or valuation made by the person, firm or company.

Name	Description
D&H Group, LLP, Chartered Accountants	Provided an auditor's report dated August 27, 2014 in respect of our consolidated financial statements for the years ended May 31, 2014 and 2013, and an auditor's report dated August 26, 2013 in respect of our consolidated financial statements for the years ended May 31, 2013 and 2012.
Michael Hudson, President, Chief Executive Officer, Chairman and a director of the Company and a Fellow of the Australasian Institute of Mining and Metallurgy	A non-independent "Qualified Person" as defined in NI 43-101 who prepared the Technical Report and who prepared or reviewed certain technical information in this AIF, the press releases of the Company dated June 26, 2013, September 18, 2013, October 3, 2013, October 16, 2013, December 9, 2013, January 20, 2014, February 18, 2014, March 3, 2014, March 25, 2014, April 24, 2014, June 4, 2014, June 26, 2014, July 2, 2014, July 30, 2014 and August 13, 2014 and the management's discussion and analysis for the three months ended August 31, 2013, for six months ended November 30, 2013, for the nine months ended February 28, 2014, and for the year ended May 31, 2014.

Interests of Experts

D&H Group LLP is the auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Michael Hudson, B.Sc. (Hons.), GDipAppFin, FAusImm, MSEG, MAIG, is the President, Chief Executive Officer, Chairman and a director of Mawson and has prepared or reviewed certain technical information in this AIF, the Technical Report, the press releases of the Company dated June 26, 2013, September 18, 2013, October 3, 2013, October 16, 2013, December 9, 2013, January 20, 2014, February 18, 2014, March 3, 2014, March 25, 2014, April 24, 2014, June 4, 2014, June 26, 2014, July 2, 2014, July 30, 2014 and August 13, 2014 and the management's discussion and analysis for the three months ended August 31, 2013, for six months ended November 30, 2013, for the nine months ended February 28, 2014, and for the year ended May 31, 2014. As at today's date, Mr. Hudson owns 1,552,119 common shares of the Company and has stock options to purchase up to 670,000 common shares of the Company.

ADDITIONAL INFORMATION

Additional Information

Additional information relating to us may be found on SEDAR at www.sedar.com. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under equity compensation plans, where applicable, is

contained in our Information Circular for our most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in our consolidated financial statements and Management's Discussion & Analysis for our most recently-completed financial year, all of which are filed on SEDAR.

SCHEDULE "A"

MAWSON RESOURCES LIMITED

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the "**Committee**") is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

1. Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements.
2. Review and appraise the performance of the Corporation's external auditors.
3. Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his independent judgment as a member of the Committee. At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- (a) Review and update the Charter annually.
- (b) Review the Corporation's financial statements, MD&A and any annual and interim earnings press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors and the Corporation's public disclosure of financial information extracted or derived from its financial statements.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Corporation.
- (b) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (c) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (d) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.

- (a) Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
- (b) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
- (c) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

- (d) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (e) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (f) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (g) Review certification process.
- (h) Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.