

**FIRST HELIUM INC.**

**INFORMATION CIRCULAR**

**FOR THE 2021 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

This information is given as of November 8<sup>th</sup>, 2021

**SOLICITATION OF PROXIES**

This Information Circular is provided to registered and beneficial owners of the Company's shares in connection with the solicitation of proxies by the management of **FIRST HELIUM INC.** (the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. This Information Circular and other proxy-related materials are not provided to registered or beneficial owners of the Company's shares under the notice and access provisions of National Instrument 54-101.

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

**APPOINTMENT AND REVOCATION OF PROXIES**

This Information Circular is accompanied by a management instrument of proxy that permits registered shareholders who do not attend the Meeting in person to have their shares voted at the Meeting by a proxyholder appointed by the registered shareholder. The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Endeavor Trust Corporation, Suite 702, 777 Hornby Street, Vancouver, BC V6Z 1S4, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

The instrument of proxy must be signed by the shareholder or by his duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives his power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies that do not strictly conform to the foregoing requirements.

**In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by**

- (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid,**
- (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or**
- (c) registering with the scrutineer at the Meeting as a registered shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

#### **VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES**

On any poll, the persons named as proxyholder in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

#### **ADVICE TO BENEFICIAL HOLDERS OF SHARES**

The following information is of significant importance to shareholders who do not hold shares in their own name. Beneficial shareholders should note that 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 Company as the registered holders of shares).

If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Company. Such shares will most likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such 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), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "Non-Objecting Beneficial Owners").

Beneficial shareholders who are OBOs will not receive the materials unless their intermediary assumes the costs of delivery. In the event that voting instructions are requested from OBOs or NOBOs, such instructions will typically be sought by the shareholder receiving a voting instruction form. If a form of voting instruction form is supplied to you by your broker, it will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the “**Broadridge VIF**”) which appoints the same persons as the Company’s proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and
- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the “Appointee” section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

#### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

On November 8<sup>th</sup>, 2021, 65,611,370 common shares without par value were issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person has one vote and, on a poll, every shareholder has one vote for each share of which he is the holder.

Only shareholders of record at the close of business on November 8<sup>th</sup>, 2021, will be entitled to have their shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns or controls or directs, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, “informed person” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as disclosed elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Company’s last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

## MANAGEMENT CONTRACTS

Other than as described herein, management functions of the Company or any subsidiary of the Company are not, to any substantial degree, performed by a person other than the directors or executive officers of the Company or its subsidiaries. See “*Statement of Executive Compensation – Employment, Consulting and Management Agreements*”.

## STATEMENT OF EXECUTIVE COMPENSATION

In this section, “Named Executive Officer” or “NEO” means (a) the chief executive officer (“**CEO**”), (b) the chief financial officer (“**CFO**”), (c) the most highly compensated executive officer of the Company, and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a Named Executive Officer under (c) but for the fact that the individual was not an executive officer of the Company and was not acting in a similar capacity, at the end of that financial year.

In this section, “compensation securities” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

During the Company’s financial year ended March 31, 2021, the following individuals were the Named Executive Officers of the Company:

- Edward Bereznicki, the President, CEO and a director of the Company;
- Robert Scott, the CFO and a director of the Company; and
- Vance Loeber, the former CEO.

### Compensation Excluding Compensation Securities

Particulars of compensation, excluding compensation securities, paid by the Company or a subsidiary of the Company to each NEO and director in the two most recently completed financial years is set out in the table below:

Name and position	Year ending <sup>(1)</sup>	Salary, consulting fee, retainer or commission (CAD \$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Ed Bereznicki</b> President, CEO, Director <sup>(2)</sup>	03/31/21	122,000	Nil	Nil	Nil	Nil	122,000 <sup>(3)</sup>
	03/31/20	30,000	Nil	Nil	Nil	Nil	30,000
<b>Robert Scott</b> CFO and Director	03/31/21	Nil	Nil	Nil	Nil	Nil	Nil <sup>(4)</sup>
	03/31/20	Nil	Nil	Nil	Nil	Nil	Nil <sup>(4)</sup>
<b>Vance Loeber</b> Former Executive Chairman and Director and Former President and CEO <sup>(5)</sup>	03/31/21	43,333	Nil	Nil	Nil	Nil	43,333
	03/31/20	\$120,000	\$98,000	Nil	Nil	Nil	\$218,000
<b>Calvin R. Watson</b> Director <sup>(7)</sup>	03/31/21	33,400	Nil	Nil	Nil	Nil	33,400
	03/31/20	28,750	Nil	Nil	Nil	Nil	28,750
<b>Todd Holmstrom</b> Director <sup>(8)</sup>	03/31/21	61,350	Nil	Nil	Nil	Nil	61,350
	03/31/20	Nil	Nil	Nil	Nil	Nil	Nil

(1) The Company was not a reporting issuer at any time during the two most recently completed financial years.

(2) Mr. Bereznicki was appointed the President and CEO of the Company on August 10, 2020 and has been a director of the Company since April 15, 2021.

(3) See “*Employment, Consulting and Management Agreements*”.

(4) See “*Employment, Consulting and Management Agreements*”. The Company paid \$9,500 per month to FT Management Ltd. (“**FT Management**”) for monthly accounting and compliance services, which company is controlled by the spouse of Mr. Scott.

(5) Mr. Loeber resigned as President and CEO and was appointed Executive Chairman of the Company on August 10, 2020. Mr. Loeber resigned as Executive Chairman and Director on April 15, 2021.

(6) See “*Employment, Consulting and Management Agreements*”.

(7) Mr. Watson was appointed a director of the Company on August 10, 2020.

(8) Mr. Holmstrom was appointed a director of the Company on August 10, 2020.

### Stock Options and Other Compensation Securities

Particulars of compensation securities granted or issued to each NEO and director by the Company or a subsidiary of the Company in the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries is set out in the table below:

COMPENSATION SECURITIES							
Name and Position	Type of compensation security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (\$)
<b>Ed Bereznicki</b> President, CEO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
<b>Robert Scott</b> CFO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
<b>Vance Loeber</b> Former Executive Chairman and Director and Former President and CEO <sup>(2)</sup>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
<b>Calvin R. Watson</b> Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
<b>Todd Holmstrom</b> Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil

(1) No stock options were granted and outstanding during the financial year ended March 31, 2021. The Company was not a reporting issuer at any time during the financial year ended March 31, 2021.

(2) Mr. Loeber resigned as President and CEO and was appointed Executive Chairman of the Company on August 10, 2020. Mr. Loeber resigned as Executive Chairman and Director on April 15, 2021.

At the end of the most recently completed financial year, the Company's NEOs and directors held the stock options set forth in the following.

Name and Position	Type of compensation Security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date (\$)
<b>Ed Bereznicki</b> President, CEO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
<b>Robert Scott</b> CFO and Director	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil



Name and Position	Type of compensation Security <sup>(1)</sup>	Number of underlying securities Exercised	Exercise price per security (\$)	Date of exercise (\$)	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Todd Holmstrom Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (1) No stock options were granted and outstanding during the financial year ended March 31, 2021. The Company was not a reporting issuer at any time during the financial year ended March 31, 2021.
- (2) Mr. Loeber resigned as President and CEO and was appointed Executive Chairman of the Company on August 10, 2020. Mr. Loeber resigned as Executive Chairman and Director on April 15, 2021.

### Stock Option Plans and Other Incentive Plans

#### *Stock Option Plan*

The Company has adopted a 10% rolling stock option plan dated April 15, 2021 (the “**Stock Option Plan**”) in accordance with the policies of the TSX Venture Exchange (the “**Exchange**”), which provides that the board of directors of the Company (the “**Board**”) may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company non-transferable options, which are exercisable for a period of up to ten years (subject to an extension if the expiry date occurs during a black-out period), to purchase up to 10% of the issued and outstanding common shares in the capital of the Company. The policies of the Exchange state that rolling stock option plans must be approved annually at the annual meeting by the shareholders of the Company. Accordingly, the Company will be seeking the approval of the shareholders to the ratification of the Stock Option Plan at the Meeting. The Stock Option Plan has not been previously approved by the shareholders of the Company.

The purpose of the Stock Option Plan is to attract, retain and motivate management, staff, consultants and other qualified individuals by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and benefit from its growth. The material features of the Stock Option Plan are as follows:

- the Stock Option Plan is administered by the Board or, if the Board so designates, a committee of the Board appointed to administer the Stock Option Plan;
- options granted under the Stock Option Plan are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently limited to ten years;
- options must be exercised within 90 days of termination of employment or cessation of the option holder’s position with the Company, subject to the expiry date of such option and certain other provisions of the Stock Option Plan. Also, an option granted under the Stock Option Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option that would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
- as long as required by Exchange policy: (i) no one individual may receive options on more than 5% of the number of common shares in the capital of the Company that are outstanding (on a non-diluted basis) immediately prior to the grant of option (the “**Outstanding Shares**”) in any 12 month period (unless the Company has obtained disinterested shareholder approval as required by the Exchange); (ii) the insiders as a group may not receive options on a number of shares exceeding 10% of the Outstanding Shares in any 12 month period (unless the Company has obtained disinterested shareholder approval as required by the Exchange); (iii) no one consultant may receive options on more than 2% of the Outstanding Shares in any 12 month period; and (iv) options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period and must vest in stages over a minimum period of 12 months with no more than 25% of the options vesting in stages in any three month period;

5. the exercise price of options is subject to the discretion of the Board, provided however that options may not be granted at prices that are less than the closing trading price of the common shares of the Company on the last day prior to the date on which such option is granted, less the applicable discount permitted (if any) by such applicable exchange on which the Company's common shares are listed;
6. any amendment of the terms of an option is subject to any required regulatory and shareholder approvals; and
7. options granted under the Stock Option Plan are not assignable, negotiable or otherwise transferable other than by will or the laws of descent and distribution and, subject to the terms of the Stock Option Plan, are exercisable only by the optionee and his legal heirs or personal representatives.

The Stock Option Plan does not provide for any financial assistance or support to be provided to optionees by the Company or any affiliated entity of the Company to facilitate the purchase of common shares under the Stock Option Plan.

### **External Management Contracts**

See "*Employment, Consulting and Management Agreements*" for a description of the consulting agreements between the Company and Ed Bereznicki and Vance Loeber.

### **Employment, Consulting and Management Agreements**

Other than as disclosed and below, no services were provided to the Company during the most recently completed financial year by a director or Named Executive Officer, or any other party who provided services typically provided by a director or Named Executive Officer, pursuant to any employment, consulting or management agreement between the Company and any other party, and the Company has no agreement or arrangement with any director, Named Executive Officer or any other party with respect to any change of control of the Company or any severance, termination or constructive dismissal of any director, Named Executive Officer or any other party, or any incremental payments triggered by any such change of control, severance, termination or constructive dismissal.

### **Consulting Agreement with Edward Bereznicki**

Effective September 1, 2020, the Company entered into a consulting agreement with Edward Bereznicki (the "**Bereznicki Agreement**") as CEO of the Company. Pursuant to the consulting agreement, the Company currently pays Mr. Bereznicki a maximum monthly fee of \$15,000, based on a rate of \$750 per day. Mr. Bereznicki will also be reimbursed for any direct out-of-pocket expenses reasonably incurred in connection with the provision of his services.

### **Agreement with FT Management**

Effective August 1, 2017, the Company entered into an unwritten accounting and compliance services agreement with FT Management. FT Management provides the services of Robert Scott as CFO to the Company and Jeffrey Dare as Corporate Secretary to the Company and accounting and corporate compliance services for a monthly fee of \$9,500. FT Management is controlled by the spouse of Mr. Scott.

### **Consulting Agreement with Vance Loeber**

The Company is a party to an unwritten consulting agreement with Mr. Loeber. In consideration for Mr. Loeber's services, the Company has agreed to pay Mr. Loeber a monthly fee of \$10,000.

### **Oversight and Description of Director and Named Executive Officer Compensation**

Compensation of the Company's Named Executive Officers and directors is determined by the full Board. Compensation is determined based on factors considered relevant and appropriate, including the level of service provided, the background and expertise of the individual director or NEO, amounts paid by other companies in similar industries at similar stages of development and compensation levels necessary to attract, retain and develop management of a high caliber. Compensation is typically reviewed annually by the Board, usually in the first fiscal quarter, but may also be reviewed on an ad hoc basis as the need arises.

The Company's compensation structure has two primary components, cash compensation and share-based compensation in the form of incentive stock options. Cash compensation has two components, base salary/consulting fees and bonuses. For the Company's financial year ended March 31, 2021, the significant element of compensation paid to Ed Bereznicki was consulting fees paid pursuant to the Bereznicki Agreement. Vance Loeber also received consulting fees from the Company. Robert Scott did not receive any compensation from the Company. However, the Company pays FT Management a monthly fee of \$9,500 for the services of Mr. Scott as CFO of the Company and Jeffrey Dare as Corporate Secretary of the Company and accounting and corporate compliance services. FT Management is controlled by the spouse of Mr. Scott.

The Company regards the strategic use of incentive stock options as a significant component of its compensation structure. In evaluating option grants issues, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by or issued to an individual; (ii) a fair balance between the number of options held by issued to an individual and those held by or issued to other directors or officers, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component of the individual's overall compensation.

No significant events occurred during the most recently completed financial year that significantly affected compensation. While the Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. No significant changes were made to the Company's compensation policies since the commencement of the most recently completed financial year.

## **CORPORATE GOVERNANCE**

### **General**

"Corporate Governance" refers to the process and structure used to direct and manage the business and affairs of a corporation. The objective is to enhance shareholder value, including ensuring the financial viability of the business. Corporate governance processes and structures define the division of power among the shareholders, the board of directors and management, and establish ways to ensure accountability. They also take into account how the direction and management of the business will affect other stakeholders such as employees, customers, suppliers and communities.

The Canadian Securities Administrators have adopted National Policy - 58-201 *Corporate Governance Guidelines* ("NP 58-201") and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101").

NP 58-201 sets forth a set of guidelines or "best practices" for reporting issuers to consider when evaluating their own corporate governance practices. Recognizing that not all of the guidelines set forth in NP 58-201 will be appropriate for all companies, full implementation of the guidelines is not mandated by either NP 58-201 or the TSX Venture Exchange (the "Exchange"). NI 58-101 mandates the disclosure of the corporate governance practices actually implemented by a reporting issuer, in certain prescribed disclosure documents.

As the business of the Company is straightforward, the Company is at an early stage of development and its Board is relatively small, the Company's Corporate Governance practices are at an early stage of evolution. The following describes the Company's approach to corporate governance, in compliance with NI 58-101.

### **Board of Directors**

The Board consists of a total of four directors, Ed Bereznicki, Robert Scott, Calvin R. Watson and Todd Holmstrom. Ed Bereznicki, President and Chief Executive Officer and Robert Scott, Chief Financial Officer are not independent directors of the Company. The other two directors are independent.

### **Directorships**

The following table sets out details of directorships in other public issuers, held by each of the current directors standing for re-election:

<b>Director</b>	<b>Other Reporting Issuer(s)</b>
Ed Bereznicki	-
Robert Scott	Genesis Metals Corp, Mongolia Growth Group Ltd., Sherpa II Holdings Corp.
Calvin R. Watson	-
Todd Holmstrom	-

### **Orientation and Continuing Education**

The Company does not have a formal process of orientation for new Board members. However, the Company does orient and educate new Board members by providing background information, conducting personal meetings and responding to questions, during the early stages of a new Board member's involvement with the Company.

The Company does not have a formal process of continuing education for directors. Generally, the Company expects that existing and new Board members will have a familiarity with the business of mineral exploration and development. Professional advisors may be invited to attend Board meetings, as needed. The Company also relies on the relatively straightforward nature of its business and the established qualifications and expertise of its Board members.

### **Ethical Business Conduct**

The Board has adopted a Business Conduct & Ethics policy (the “**Code**”) and views good corporate governance as an integral component to the success of the Company. In addition to promoting the Code, the Board encourages a culture of ethical business conduct by performing appropriate due diligence on proposed directors and ensuring that proposed directors are of the highest ethical standards.

The Board has found that the fiduciary duties placed on individual directors by the Company'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 have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

The Code has been filed on SEDAR and is available under the Company's profile at [www.SEDAR.com](http://www.SEDAR.com).

### **Nomination of Directors**

The Board does not have a Nominating Committee to identify new candidates for Board nomination. Potential candidates for appointment to the Board are considered by the Board as a whole, in reliance on the recommendations, qualifications and experience of its members. Nominees are interviewed by the Board and are asked to join the Board where consensus regarding the nominee is obtained. The Board recognizes that, in accordance with good corporate governance practices, it is desirable to appoint additional members who are independent and gives weight to this consideration in its Board appointments.

### **Compensation**

The Company does not have a compensation committee. The compensation of the directors and the CEO is considered by the Board. The directors currently do not receive any remuneration for their acting in such capacity other than the potential grant of incentive stock options to the directors.

### **Other Board Committees**

The Board has no committees other than its Audit Committee.

### **Assessments**

The Board has no specific procedures for regularly assessing the effectiveness and contribution of the Board, its committees or individual directors. As the business of the Company is relatively straightforward and its Board relatively small, it is expected that a significant lack of performance on the part of a committee or individual director would become readily apparent and could be dealt with on a case-by-case basis. With respect to the Board as a whole, the Board monitors its performance on an ongoing basis, and as part of that process considers the overall performance of the Company and input from its shareholders.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized for issuance at the end of the Company’s most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans</b>
Equity compensation plans approved by securityholders	Nil	Nil	Nil
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	Nil

Note: As of year end the Company had not yet adopted a compensation plan. The Stock Option Plan was adopted by the Board subsequent to year end on April 15, 2021. See “*Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*” for a summary of the material terms of the Stock Option Plan and “*Particulars of Matters to be Acted Upon – Approval of Stock Option Plan*” for a description of the number of stock options outstanding as at the date of this Information Circular.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former executive officer, director or employee of the Company, proposed nominee for election as a director of the Company, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company’s last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, 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, as set forth in the following.

#### **Audit Committee Charter**

The Company’s Audit Committee is governed by an Audit Committee Charter. A copy of the Audit Committee Charter is attached as Schedule “A” to this Information Circular.

#### **Composition of the Audit Committee**

The Company’s Audit Committee is comprised of three directors, Ed Bereznicki, Todd Holmstrom and Calvin R. Watson. As defined in NI 52-110, a majority of the members of the Audit Committee are “independent”. Also as defined in NI 52-110, all of the Audit Committee members are “financially literate”. The experience of the Audit Committee members is set forth in the following.

## Relevant Education and Experience

*Edward Bereznicki, President, CEO and Director*

Mr. Bereznicki holds a B.Sc. in civil engineering from the University of Alberta, Canada. He also holds a Master of Business Administration (MBA) degree from University of Western Ontario. Mr. Bereznicki has 15 years of corporate finance, capital markets and financial advisory expertise as a senior energy investment banker with Raymond James Ltd. and Griffiths McBurney & Partners. He is also a seasoned energy executive with over 14 years of exploration and production, projects, operations, risk management and pipeline transmission experience, both domestically and internationally. Mr. Bereznicki served as a director of Athabasca Minerals Inc. from October 2013 to August 2015 and was a member of the audit committee during 2014 and 2015. He is also a member of the Association of Professional Engineers and Geoscientists of Alberta. Mr. Bereznicki has helped raise over \$20 billion of equity and convertible debt for the energy sector, including successful start-ups and initial public offerings, with over 30 successful merger and acquisition transactions totaling more than \$4.5 billion in value.

*Todd Holmstrom, Director*

Mr. Holmstrom holds a B.Sc. in mechanical engineering and has attended executive leadership programs at Ivey Scholl of Business and the University of North Carolina – Flagler School of Business. Mr. Holmstrom has over 33 years in leadership roles in the oil and gas, mining, wireless communications and medical devices industry. Mr. Holmstrom was the President of a \$200 million company (Lockerbie & Hole Inc., a division of AECON) from February 2011 to October 2013 and Vice president in two \$1 billion operating companies, Flint Energy Services Ltd. from October 2004 to January 2010 and Stuart Olson Inc. from February 2016 to September 2019. He has extensive experience developing business strategies and leading the successful execution of \$1 billion engineering, procurement, and construction projects worldwide.

*Calvin R. Watson, Director*

Mr. Watson graduated from the University of Saskatchewan with a Bachelor of Science in Engineering degree. Mr. Watson has over 35 years of experience in the oil and gas industry and has held multiple roles in operations, production, reservoir engineering, gas marketing and business development. Mr. Watson was the Central and Southern Plains Exploitation Manager for Anderson Exploration/Devon Canada Corp., an affiliate of Devon Canada Corporation (“**Devon Canada**”), from May 2000 to May 2004. Mr. Watson was the Foothills Region Exploitation Manager for Devon Canada from May 2004 to May 2008 in charge of reservoir engineering and business development for foothills region. Mr. Watson was Operations Manager, Thermal Operations of Devon Canada from May 2008 to September 2009 responsible for stabilizing thermal performance at Jackfish 1 and was General Manager of Thermal of Devon Canada from September 2009 to June 2010 responsible for operations, business development, production and reservoir engineering for Devon Canada’s Jackfish 1 and 2 steam-assisted gravity drainage facility and responsible for Devon’s corporate reserves. He has acted as Vice-President of Devon Canada from June 2010 to January 2015, with an annual operating expenses budget of \$1.2 billion.

As a result of their respective business experience, each member of the audit committee (i) has an understanding of the accounting principles used by the Company to prepare its financial statements, (ii) has the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves, (iii) has experience in analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to that that can reasonably be expected to be raised by the Company’s financial statements, and (iv) has an understanding of internal controls and procedures for financial reporting.

## Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Company’s Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

## Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), the exemptions in Subsection 6.1.1(4)

(*Circumstance Affecting the Business or Operations of the Venture Issuer*), Subsection 6.1.1(5) (*Events Outside Control of Member*), Subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

### **Pre-Approval Policies and Procedures**

No specific policies or procedures have been adopted with respect to the provision of non-audit services by the Company's external auditor although, under the Company's Audit Committee Charter, such services are required to be approved by the Audit Committee.

### **External Auditor Service Fees (By Category)**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to the Company by its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2021	\$43,000	Nil	\$1,800	\$32,500
March 31, 2020	\$27,500	Nil	\$1,500	Nil

<sup>(1)</sup>Fees incurred for the preparation and filing of tax returns.

### **Exemption in Section 6.1**

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Election of Directors**

Management intends to propose for adoption an ordinary resolution that the number of directors of the Company be fixed at four, subject to such increase as may be permitted by the articles of the Company.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the persons nominated for election as directors, the province or state and country in which each is ordinarily resident, the positions and offices which they presently hold with the Company, their respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation	Director Since	Number of Shares Beneficially Owned, Controlled or Directed
<b>Edward Bereznicki</b> <sup>(1)</sup> Alberta, Canada Director, President & CEO	Mr. Bereznicki was a advisor and CEO of Freedom Cannabis Inc., a private seed to sell cannabis company, from April 2018 to October 2019; independent businessman, advisor and investor to start-up oil and gas companies from August 2015 to March 2018.	04/15/2021	775,535
<b>Robert J. Scott</b> British Columbia, Canada Director & CFO	Mr. Scott is a CPA, CA, and CFA Charter holder with more than 20 years of professional experience. He is the Founder and President of Corex Management Inc., a private company which, for the past 12 years, has provided accounting, administration, and corporate compliance services to privately held and publicly traded companies.	01/23/2017	1,777,029
<b>Todd Holmstrom</b> <sup>(1)</sup> Alberta, Canada Director	Mr. Holmstrom has been a consultant with WaterStrider Treatment Inc., a water treatment company, from January 2021 to present; consultant for the Issuer from January 2020 to February 2020; and Vice President Construction at Stuart Olson Inc., a construction services company, from February 2016 to September 2019.	08/10/2020	250,000
<b>Calvin R. Watson</b> <sup>(1)</sup> Alberta, Canada Director	Mr. Watson has been the President and CEO at Nobilis Energy Consulting Ltd., a management consulting company, from January 2016 to present.	08/10/2020	375,535

(1) Member of the Audit Committee

The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company, unless terminated earlier.

Shareholders can vote for all of the proposed nominees, vote for some of the proposed nominees and withhold for others, or withhold votes for all of the proposed nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer

For the purposes of the preceding paragraph, “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which, in each case, was in effect for a period of more than 30 consecutive days.

No proposed director of the Company is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within one 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.

No proposed director of the Company or personal holding company of a proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company or personal holding company of a proposed director has been subject to:

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

During the ten years preceding the date of this Information Circular, no proposed director has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

The above information was provided by management of the Company.

### **Appointment of Auditor**

The shareholders will be asked to appoint Davidson & Company LLP, Chartered Accountants, of Suite 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1G6, to serve as the auditor of the Company until the close of the next Annual General Meeting of the shareholders, and to authorize the directors to fix the auditor's remuneration. Davidson & Company LLP was first appointed auditor of the Company on June 17, 2019.

### **Approval of Stock Option Plan**

The Company has adopted the Stock Option Plan which reserves a rolling maximum of 10% of the number of common shares issued and outstanding on the applicable date of grant. See "*Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*" for a summary of the material terms of the Stock Option Plan. As at the date of this Information Circular, the Company has 65,611,370 common shares issued and outstanding so that a maximum of 6,561,137 common shares would be available for issuance pursuant to the stock options granted under the Stock Option Plan. As at the date of this Information Circular, there are 6,050,000 stock options outstanding under the Stock Option Plan, leaving 511,137 common shares available for the granting of further stock options.

The policies of the Exchange state that rolling stock option plans must receive shareholder approval upon initial adoption and thereafter yearly, at the Company's Annual General Meeting. Accordingly, the shareholders will be asked to approve the Stock Option Plan at the Meeting.

The full text of the Stock Option Plan will be available to the shareholders at the Meeting. Shareholders may also view the Stock Option Plan in advance of the Meeting at the Company's head office, 550-800 West Pender Street, Vancouver, BC, V6C 2V6, or by requesting a copy of the Stock Option Plan from the Company by telephone at (778) 327-5799.

In connection with shareholder approval of the Stock Option Plan, management will place the following proposed ordinary resolution before the shareholders for their consideration:

### **RESOLVED AS AN ORDINARY RESOLUTION, THAT:**

1. the Company's Stock Option Plan, presented for consideration at the Company's 2021 Annual General Meeting, be ratified, confirmed and approved.
2. the Company is authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan entitling all of the option holders in aggregate to purchase up to such number of common shares of

the Company as is equal to 10% of the number of common shares of the Company issued and outstanding on the applicable grant date; and

3. the board of directors of the Corporation (the “**Board**”) or any committee created pursuant to the Stock Option Plan is authorized to make such amendments to the Stock Option Plan from time to time as the Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Stock Option Plan, the shareholders.

An ordinary resolution is a resolution passed by greater than 50% of the votes cast by those shareholders, who being entitled to do so, vote in person or by proxy at the Meeting.

**Management of the Company recommends that shareholders vote FOR the Stock Option Plan resolution, and the persons named in the enclosed form of proxy intend to vote FOR the approval of the Stock Option Plan resolution at the Meeting unless the shareholder has specified that the common shares represented by such proxy are to be voted against such resolution.**

#### **ADDITIONAL INFORMATION**

Additional Information concerning the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial Information concerning the Company is provided in the Company’s comparative financial statements and Management’s Discussion and Analysis for the financial year ended March 31, 2021.

Shareholders wishing to obtain a copy of the Company’s financial statements and Management’s Discussion and Analysis may contact the Company as follows:

Robert J. Scott, Chief Financial Officer  
550-800 W. Pender Street, Vancouver, British Columbia, Canada,  
V6E 4M3 Telephone: (778) 327-6671  
Fax: (778) 327-6675

#### **BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the directors of the Company.

**DATED** at Vancouver, British Columbia, the 8<sup>th</sup> day of November 2021.

#### **ON BEHALF OF THE BOARD**

*“Ed Bereznicki”*

**Ed Bereznicki**  
President, Chief Executive Officer & Director

Schedule "A"

**FIRST HELIUM INC.**  
**(the "Company")**

**AUDIT COMMITTEE CHARTER**

*A. Purpose*

The overall purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the Audit Committee will maintain effective working relationships with the board of directors of the Company (the "**Board**"), management and the external auditors and will monitor the independence of such auditors. To perform his or her role effectively, each member of the Audit Committee will obtain an understanding of the responsibilities of the Audit Committee and the Company's business, its operations and related risks.

*B. Composition, Procedure, and Organization*

1. The Audit Committee shall consist of at least three members of the Board, and shall be in compliance with securities laws and stock exchange requirements.
2. All members of the Audit Committee shall be financially literate as defined in NI 52-110 or any successor policy.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.
4. Unless the Board has appointed a chair of the Audit Committee, the members of the Audit Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Audit Committee shall have access to the Company's external auditors, officers and employees and to such information respecting the Company as it considers to be necessary or advisable for the Audit Committee to perform its duties and responsibilities.
7. Meetings of the Audit Committee shall be conducted as follows:
  - (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee;
  - (b) the external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
  - (c) the external auditors shall receive notice of and have the right to attend all meetings of the Audit Committee; and

- (d) management representatives may be invited to attend all meetings except for private sessions with the external auditors.
8. The external auditors shall have a direct line of communication to the Audit Committee through the chair of the Audit Committee and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee of the Company as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

*C. Roles and Responsibilities*

1. The overall duties and responsibilities of the Audit Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
  - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
  - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
2. The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:
- (a) recommend to the Board a firm of external auditors to be engaged by the Company and to verify the independence of such external auditors;
  - (b) review and approve the fee, scope and timing of audits of the Company and other related services rendered by the external auditors;
  - (c) review the audit plan of the external auditors prior to commencement of an audit of the Company;
  - (d) review with the external auditors, upon completion of their audit of the Company:
    - (i) contents of their report;
    - (ii) scope and quality of the audit work performed;
    - (iii) adequacy of the Company's financial and auditing personnel;
    - (iv) co-operation received from the Company's personnel during the audit;
    - (v) internal resources used;
    - (vi) significant transactions outside of the normal business of the Company;
    - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
    - (viii) any non-audit services provided by the external auditors;
  - (e) discuss with the external auditors the quality and acceptability of the Company's accounting principles; and

- (f) implement structures and procedures to ensure that the Audit Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact the financial integrity of the Company, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board any changes which the Audit Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
4. The Audit Committee is also charged with the responsibility to:
- (a) review and approve the Company's annual and interim financial statements and related MD&A, including the impact of unusual items and changes in accounting principles and estimates;
  - (b) review and approve and report to the Board the financial sections of any of the following disclosed documents prepared by the Company:
    - (i) the annual report to shareholders;
    - (ii) the annual information form;
    - (iii) annual MD&A;
    - (iv) prospectuses;
    - (v) news releases discussing financial results of the Company; and
    - (vi) other public reports of a financial nature requiring approval by the Board;
  - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (e) review and report on the integrity of the Company's consolidated financial statements;
  - (f) review the minutes of any audit committee meeting of any of the Company's subsidiaries;
  - (g) review with the Company's management, external auditors and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect on the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
  - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

- (i) develop a calendar of activities to be undertaken by the Audit Committee for each ensuing year and submit such calendar in the appropriate format to the Board following each annual general meeting of the shareholders.