



NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

AND

MANAGEMENT PROXY CIRCULAR

FOR THE

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD

**THURSDAY, DECEMBER 14, 2017
10:00 A.M. (VANCOUVER TIME)
SUITE 1305, 1090 WEST GEORGIA STREET
VANCOUVER, BRITISH COLUMBIA**

HANSA RESOURCES LIMITED

#1305 - 1090 West Georgia Street
Vancouver, BC, V6E 3V7

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the "**Meeting**") of the Shareholders of Hansa Resources Limited (hereinafter called the "**Company**") will be held at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia, on Thursday, the 14th day of December, 2017, at 10:00 AM (Pacific), for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the fiscal year ended June 30, 2017, together with the report of the auditor therein;
2. To fix the number of directors at five (5);
3. To elect directors;
4. To appoint D&H Group LLP, Chartered Professional Accountants, as the auditor of the Company for the ensuing year at a remuneration to be set by the directors;
5. To consider and, if thought fit, to pass an ordinary resolution to approve the adoption of the Company's new stock option plan, as more particularly described in the Company's Management Proxy Circular attached hereto; and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice is a Management Information Circular, a form of Proxy and a Request Form for Annual and Interim Financial Statements. The accompanying Management Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this Notice.

To be valid, the accompanying form of Proxy, duly completed, dated and signed, must arrive at the office of the Registrar and Transfer Agent of the Company, AST Trust Company (Canada), PO Box 721 Agincourt, Ontario, M1S 0A1 or via Fax to (416) 368-2502, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or delivered to the Chairman of the Meeting on the day of but prior to the commencement of the Meeting.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the Income Tax Act (Canada), or a nominee of any of the foregoing that holds your security on your behalf (the "Intermediary"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 7th day of November, 2017.

BY ORDER OF THE BOARD

"John Nugent"

John Nugent,
President and Chief Executive Officer

HANSA RESOURCES LIMITED

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

MANAGEMENT INFORMATION CIRCULAR

(Containing information as at November 7, 2017, unless otherwise stated)

SOLICITATION OF PROXIES

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Hansa Resources Limited (the “**Company**”) for use at the Annual General and Special Meeting of Shareholders of the Company (and any adjournment thereof) to be held on December 14, 2017 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying Notice of Annual General and Special Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are directors and/or officers (“**Management’s Nominees**”) of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY. A proxy will not be valid unless the completed form of proxy is received by AST Trust Company (Canada), PO Box 721 Agincourt, Ontario, M1S 0A1 or via Fax to (416) 368-2502, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, or any adjournment thereof. Proxies delivered after that time will not be accepted.**

REVOCACTION OF PROXIES

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney duly authorized in writing or, where the shareholder is a company, by a duly authorized officer or attorney of the company, and delivered to the head office of the Company located at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 (Attention: Corporate Secretary), at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

INFORMATION FOR NON-REGISTERED SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the common shares of the Company (“Common Shares”) they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their Common Shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name 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 CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without

specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities they own ("**NOBOs**"). Subject to the provision of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Annual General and Special Meeting are to shareholders of record unless specifically stated otherwise.

VOTING OF PROXIES

The shares represented by a properly executed proxy in favour of Management's Nominees as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL, SUCH SHARES WILL BE VOTED **AS DIRECTED BY MANAGEMENT OF THE COMPANY** FOR EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED, OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED, BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. If any amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter that may be presented to the Meeting.

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

Except as disclosed herein, no person who has been a director or executive officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors. Directors and senior officers may, however, be interested in the general authorization granted to the directors with respect to stock options to insiders as detailed herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Company consists of an unlimited number of Common Shares without par value and an unlimited number of preference shares without par value. As at November 7, 2017 (the "**Record Date**"), the Company had 57,413,317 Common Shares issued and outstanding and no preference shares issued and outstanding.

Only shareholders of record at the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in that shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at the Transfer Agent and will be available at the Meeting. **Shareholders represented by proxy holders are not entitled to vote on a show of hands.**

To the knowledge of the directors and executive officers of the Company, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, common shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company.

ELECTION OF DIRECTORS

The board of directors (the "**Board**") presently consists of five directors and it is proposed that five directors be elected for the ensuing year.

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees and the persons named by management as proxyholders in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**").

The following table and notes thereto set out the name of each of management's nominees for election as a director, the province and country in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation, the period of time he has been a director of the Company, and the number of shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Position and Province and Country of Residence⁽¹⁾	Principal Occupation and, if not at present an elected Director, Occupation during the past five years⁽¹⁾	Director Since	No. of Shares beneficially held⁽²⁾
JOHN NUGENT Chairman, President, Chief Executive Officer and Director British Columbia, Canada	Businessman	Dec. 22/05	3,937,500 ⁽³⁾
NICK DEMARE⁽⁴⁾ Chief Financial Officer, Secretary and Director British Columbia, Canada	Chartered Professional Accountant. President of Chase Management Ltd. (" Chase "). Also a director and/or officer of other public companies.	Aug. 14/08	705,000 ⁽⁵⁾
ROBERT G. ATKINSON⁽⁴⁾ Director British Columbia, Canada	Self-employed Businessman. Also a director and/or officer of other public companies.	Dec. 10/99	7,203,000 ⁽⁶⁾
DONALD SIEMENS⁽⁴⁾ Director British Columbia, Canada	Chartered Professional Accountant. Corporate Finance Consultant. Also a director of other public companies.	Oct. 5/10	Nil
PAUL DIPASQUALE Director British Columbia, Canada	Independent Advisor. Also a director of Gen III Oil Corporation (formerly PNG Gold Corporation).	Apr. 20/11	823,000

NOTES:

- (1) The information as to province or state and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Includes 3,012,500 common shares held by Judy McLean and John Nugent 2015 Jt. Partner Trust.
- (4) Denotes member of Audit Committee.
- (5) Includes 405,000 common shares held by 888 Capital Corp., a private company owned 50% by Nick DeMare, and 100,000 common shares held by Chase, a private company owned by Nick DeMare.
- (6) Includes 1,000,000 common shares held by the Barbara & Robert Atkinson Trust and 805,000 common shares held by Barbara Atkinson, wife of Robert Atkinson.

Corporate Cease Trade Orders or Bankruptcies

Other than as disclosed below, none of the proposed directors of the Company or any of their personal holding companies:

- (a) is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any Company, including the Company, that:

- (i) was subject to a cease trade order or similar order or an order that denied the relevant Company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer of the Company and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is as 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 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
- (c) 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, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

None of the proposed directors or any of their personal holding companies 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

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.

Mr. Nick DeMare is a director of Salazar Resources Limited (“**Salazar**”). On September 10, 2010, Salazar was issued a cease trade order by the British Columbia Securities Commission (“**BCSC**”) for failing to file a technical report under National Instrument 43-101 – Standards of Disclosure to Mineral Projects 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.

Mr. Donald Siemens was a director of Great Western Minerals Group Ltd. (“**GWMG**”) from January 2014 until his resignation in July 2015. On April 30, 2015 GWMG was granted protection from its creditors under the CCAA upon receiving an initial order from the Court. On May 11, 2015, an order was issued by the Financial and Consumers Affairs Authority of the Province of Saskatchewan that all trading in the securities of GWMG be ceased due to its failure to file financial statements for the year ended December 31, 2014.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a “**Named Executive Officer**”, or “**NEO**”, means each of the following individuals:

- (a) any individual who acted as chief executive officer (“**CEO**”) of the company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (b) any individual who acted as chief financial officer (“**CFO**”) of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

- (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended June 30, 2017, the Company had two NEOs: John Nugent, the President and CEO, and Nick DeMare, the CFO and Corporate Secretary of the Company.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to each NEO and director of the Company for the completed financial years ended June 30, 2017 and 2016. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities*” below.

Compensation, Excluding Compensation Securities

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
John Nugent President, CEO and Director	2017	60,000	-	-	-	-	60,000
	2016	60,000	-	-	-	-	60,000
Nick DeMare CFO, Corporate Secretary and Director	2017	12,000	-	-	-	18,720 ⁽³⁾	30,720
	2016	12,000	-	-	-	18,595 ⁽³⁾	30,595
Robert G. Atkinson Director	2017	12,000	-	-	-	-	12,000
	2016	12,000	-	-	-	-	12,000
Donald Siemens Director	2017	12,000	-	-	-	-	12,000
	2016	12,000	-	-	-	-	12,000
Paul DiPasquale Director	2017	12,000	-	-	-	-	12,000
	2016	12,000	-	-	-	-	12,000

NOTES:

- (1) Financial years ended June 30.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Company.
- (3) Paid \$14,700 (2016 - \$14,575) to Chase Management Ltd. (“Chase”), a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel, excluding the services of Mr. DeMare, and \$4,020 (2016 - \$4,020) for rent.

Stock Options and Other Compensation Securities

No compensation securities were granted or issued by the Company to the NEOs and directors of the Company for the financial year ended June 30, 2017.

Compensation Securities							
Name	Type of compensation security	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
N/A	N/A	Nil	N/A	N/A	N/A	N/A	N/A

No compensation securities were exercised by the NEOs and directors of the Company for the financial year ended June 30, 2017.

Exercise of Compensation Securities							
Name	Type of compensation security	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 (\$)
N/A	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Stock Option Plan and Other Incentive Plans

The Company has no other incentive plan other than its existing 10% rolling stock option plan (the “**Existing Plan**”). The Existing Plan provides for a total of 10% of the issued and outstanding shares of the Company available for issuance thereunder. The Company's Existing Plan was adopted in March 2004, as amended in November 2008, and was most recently ratified and approved by the Shareholders in December 2016.

The purpose of the Existing Plan is to provide the Company with a share related mechanism to enable the Company to attract, retain and motivate qualified directors, officers, employees and other service providers, to reward directors, officers, employees and other service providers for their contribution toward the long term goals of the Company and to enable and encourage such individuals to acquire shares of the Company as long term investments.

The Existing Plan provides that it is solely within the discretion of the Board to determine who should receive options and in what amounts. The Board may issue a majority of the options to insiders of the Company. However, the Existing Plan provides that in no case will the Existing Plan or any existing share compensation arrangement of the Company result, at any time, in the issuance to any option holder, within a one year period, of a number of shares exceeding 5% of the Company's issued and outstanding share capital without the approval of the disinterested shareholders.

The following information is intended to be a brief description of the Existing Plan and is qualified in its entirety by the full text of the Existing Plan:

- (a) The number of common shares which may be issued pursuant to options previously granted and those granted under the Existing Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of common shares which may be reserved for issuance to any one individual may not exceed 5% of the issued common shares on a yearly basis without the approval of the disinterested shareholders, or 2% if the optionee is engaged in investor relations activities. Under Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of

10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

- (b) Options will be exercisable over periods of up to ten years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the common shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Existing Plan, the Board of Directors may from time to time authorize the issue of options to directors, officers employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Existing Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion.

The Board has adopted an updated form of stock option plan (the “**New Plan**”), which is in line with the current policies of the TSX Venture Exchange (the “**TSXV**”), and is asking shareholders to approve the New Plan. For a description of the New Plan, see “*Particulars of Other Matters to be Acted Upon – Adoption of New Stock Option Plan*”.

Employment, Consulting and Management Agreements

Other than as disclosed herein, management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

Oversight and Description of Director and NEO Compensation

Compensation, Philosophy and Objectives

The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company’s compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management’s interests with the long-term interests of shareholders; and (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all Named Executive Officers (or NEOs), as hereinafter defined, is fair and reasonable. The Board as a whole recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. While the Board does not have direct experience related to executive compensation, the Board relies on their experience as officers and directors.

Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO’s efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company’s Existing Plan. A description of the significant terms of the Existing Plan is found under the heading “*Stock Option Plan and Other Incentive Plans*”.

The Company does not determine executive compensation based on the share price performance. Overall the salaries or consulting fees payable to the NEOs, in particular to the Company’s CEO, have had a minor upward trend in order to provide competitive levels of compensation necessary to attract and maintain executive talent.

The Board has considered the implications of the risks associated with the Company's compensation practices. The Board acknowledges that the Company, as a junior natural resource company, does not presently generate any revenues, and that all management compensation to date has been derived solely from cash in the Company's treasury, acquired by way of equity financings to date, and the grant of incentive stock options to directors, management, contractors and employees. Salary compensation to the NEOs is provided for under verbal understandings or written consulting agreements with the NEOs or management companies under their control. Upon the occurrence of certain events, the Company's early termination of these contracts may also trigger additional balloon payments, which could adversely impact the Company's working capital.

Option-Based Awards

The Company has no long-term incentive plans other than the Existing Plan. The Company's directors, employees, officers and certain consultants are entitled to participate in the Existing Plan. The Existing Plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Existing Plan aligns the interests of the NEOs and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Options are granted by the Board. In monitoring or adjusting the option allotments, the Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the NEOs and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the Existing Plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than the prescribed discount permitted by the TSXV from the market price on the date of grant;
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the Existing Plan. The Board reviews and approves grants of options on an annual basis and periodically during a financial year.

There is no restriction on NEOs or Directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units or exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held directly or indirectly by the NEO or Director for the financial year ended June 30, 2017.

No NEO or Director, directly or indirectly, purchased any financial instruments or employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Termination and Change of Control Benefits

The Company does not have any plan contract, agreement or plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, a change in control of the Company or a change in the NEO's responsibilities.

Pension Plan Benefits

The Company does not have any form of pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance to directors, officers, employees and consultants in effect as of the end of the Company's most recently completed fiscal year end:

Plan Category	Column (a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Column (b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Column (c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))⁽¹⁾
Equity Compensation Plans Approved By Securityholders ⁽²⁾	4,000,000	0.05	1,741,331
Equity Compensation Plans Not Approved By Securityholders ⁽²⁾	N/A	N/A	N/A
Total	4,000,000	0.05	1,741,331

NOTE:

- (1) Based upon the Company having 57,413,317 common shares issued and outstanding as at June 30, 2017. The Company's existing option plan is a "rolling" stock option plan whereby the maximum number of common shares that may be reserved for issuance pursuant to the Existing Plan will not exceed 10% of the issued shares of the Company at the time of the stock option grant. See "*Stock Option Plan and Other Incentive Plans*" for further particulars of the Existing Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of November 7, 2017, the date of this Information Circular, no director, executive officer, employee, proposed management nominee for election as a director of the Company, nor any associate of any such director, executive officer, or proposed management nominee of the Company, or any former director, executive officer or employee of the Company or any of its subsidiaries, was indebted to the Company or any of its subsidiaries, or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out below and elsewhere in this Information Circular, none of the proposed directors, directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) or subsidiary of the Company, nor any person or company who beneficially owns, or controls or directs, directly or indirectly, Common Shares or a combination of both, carrying more than 10% of the voting rights attached to the outstanding Common Shares nor an associate or affiliate of any of the foregoing persons has since July 1, 2016 (being the commencement of the Company's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITOR

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of D&H Group LLP, Chartered Professional Accountants, as the auditor of the Company for the ensuing year at a remuneration to be determined by the directors.

MANAGEMENT CONTRACTS

Management functions of the Company are substantially performed by directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

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, the composition of the audit committee and the fees paid to the external auditor.

Audit Committee Charter

The Company has adopted a Charter of the Audit Committee of the Board of Directors, the text of which is set out in the attached Schedule “A” to this Information Circular.

Composition of the Audit Committee

The following are the members of the Audit Committee:

Name	Independent ⁽¹⁾	Financially Literate
Nick DeMare	No	Yes
Robert G. Atkinson	Yes	Yes
Donald Siemens	Yes	Yes

(1) As defined in NI 52-110.

The Company is relying on the exemption provided under Section 6.1 of NI 52-110.

Relevant Education and Experience

The education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member and, in particular, education or experience that would provide the member with: (a) an understanding of the accounting principles used by the issuer to prepare its financial statements; (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and (d) an understanding of internal controls and procedures for financial reporting, is as follows:

Audit Committee Member	Education	Experience
Robert G. Atkinson	Bachelor of Commerce (B.Comm) from the University of British Columbia	Investment industry experience for over 30 years; Former President and CEO of Loewen Ondaatje McCutcheon & Co Ltd., a Canadian investment dealer; a director of several other public companies.

Audit Committee Member	Education	Experience
Nick DeMare	Chartered Professional Accountant. Bachelor of Commerce (B.Comm) from the University of British Columbia	Current or former director and/or officer of many publicly listed companies in the resource sector since 1986; President of Chase Management Ltd. Chase provides accounting, management, securities regulatory compliance and corporate secretarial services.
Donald Siemens	Bachelor of Arts (BA) from the University of British Columbia, Chartered Professional Accountant.	Current or former director of several publicly listed companies. Previously, Partner with Thorne Ernst & Whinney (now KPMG LLP).

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company 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) (Circumstances 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.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the attached Schedule "A" under the heading "External Auditors" in the Audit Committee Charter.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
June 30, 2017	\$14,892	Nil	Nil	Nil
June 30, 2016	\$19,110	Nil	Nil	Nil

NOTES:

- (1) The aggregate audit fees billed.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or the review of the Company's financial statements are not included under the heading of "Audit Fees".
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning, as well as the preparation of corporate income tax returns.
- (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".

Exemption

The Company is currently a "Venture Issuer", as defined in Section 1.1 of NI 52-110. Accordingly, in providing the disclosure contained in this section titled "Audit Committee", the Company is relying upon the exemption in Section 6.1 of NI 52-110 (which is available to all Venture Issuers).

CORPORATE GOVERNANCE PRACTICE

National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires issuers to disclose their governance practices in accordance with that instrument. The Company is a “venture issuer” within the meaning of NI 58-101.

The Board has adopted certain corporate governance policies to reflect the Company’s commitment to good corporate governance, and to comply with NI 58-101, Form 58-101F2 - *Corporate Governance Disclosure (Venture Issuers)* and National Policy 58-201 - *Corporate Governance Guidelines*. The Board periodically reviews these policies and proposes modifications to the Board for consideration as appropriate. The Company considers good corporate governance to be central to the effective and efficient management and operation of the Company, and the Board is directly responsible for developing the Company’s approach to corporate governance issues. A discussion of the Company’s governance practices within the context of NI 58-101 is set out below:

Statement of Corporate Governance Practices

Corporate governance relates to the activities of the board of directors of the Company (the “**Board**”), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices for Venture Issuers in Form 58-101F2, which disclosure is set out below.

Board of Directors

The Company’s Board consists of five (5) directors, three (3) of whom are independent, as defined by National Instrument 52-110 (“**NI 52-110**”). Robert G. Atkinson, Donald Siemens and Paul DiPasquale are independent directors. The Company has two (2) directors who are not independent because they are executive officers of the Company, namely: John Nugent, Chairman, President and CEO, and Nick DeMare, CFO and Corporate Secretary.

The Board facilitates the exercise of independent supervision over management through various Board meetings held throughout the year. At present, the Board does not have any formal committees other than its Audit Committee. When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have significant experience in business affairs. As a result, these Board members are able to provide significant and valuable independent supervision over management.

Directorships

As of the date of this Information Circular, certain directors of the Company are also serving as directors of other reporting issuers, details of which are as follows:

John Nugent: N/A

Nick DeMare: Aguila American Gold Limited, Argentina Lithium & Energy Corp., Cliffmont Resources Ltd., East West Petroleum Corp., GGL Resources Corp., Global Daily Fantasy Sports Inc., Hannan Metals Ltd., Kingsmen Resources Ltd., Leading Edge Materials Corp., Mawson Resources Limited, Mirasol Resources Ltd., Rochester Resources Ltd., Rockshield Capital Corp., Salazar Resources Limited, Seaway Energy Services Inc. and Tinka Resources Limited

Robert G. Atkinson:	Atlantic Gold Corporation and Cassius Ventures Ltd.
Donald Siemens:	Arizona Mining Inc., Atlantic Gold Corporation, Epicore BioNetworks Inc., Eros Resources Corp. and Skeena Resources Limited
Paul DiPasquale:	Gen III Oil Corporation (formerly PNG Gold Corporation)

Orientation and Continuing Education

The CEO and/or the CFO are responsible for providing an orientation for new directors. Director orientation and on-going training will include presentations by senior management to familiarize directors with the Company's strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its principal officers and its internal and independent auditors.

Ethical Business Conduct

The Company does not have a written code of ethical business conduct for its directors, officers and employees. Each director, officer and employee is expected to comply with relevant corporate and securities laws and, where applicable, the terms of their employment agreements.

Nomination of Directors

When a Board vacancy occurs or is contemplated, any director may make recommendations to the Board as to qualified individuals for nomination to the Board.

In identifying new candidates, the directors will take into account the mix of director characteristics and diverse experiences, perspectives and skills appropriate for the Company at that time.

Compensation

From time to time, the independent directors of the Board will review the compensation payable to the CEO and CFO. Compensation for Board members is determined by the Board as a whole and in accordance with industry norms and with reference to each individual director's level of involvement with the Company.

Other Board Committees

The Board has no standing committees other than the audit committee. The Board is satisfied that in view of the size and composition of the Board, it is more efficient and cost effective for the full board to perform the duties that would be required by standing committees, other than the audit committee.

Assessments

The Board does not conduct any formal evaluation of the performance and effectiveness of the members of the Board, the Board as a whole or any committee of the Board. These matters are dealt with on a case by case basis at the Board level.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Adoption of New Stock Option Plan

At the Meeting, the shareholders of the Company will be asked to approve the adoption of a new 10% rolling stock option plan of the Company (the "**New Plan**"), which is in line with current policies of the TSXV. The New Plan will replace the Existing Plan upon the receipt of shareholder and TSXV acceptance of the New Plan.

The following is a summary of the New Plan and is subject to, and qualified in its entirety by, the full text of the New Plan which will be available to the shareholders of the Company at the Meeting. Shareholders may also view the New Plan in advance of the Meeting at the Company's head office at Suite 1305, 1090 West Georgia Street, Vancouver,

British Columbia V6E 3V7 or may request a copy of the New Plan in advance of the Meeting by contacting the Company at (604) 685-9316. The New Plan is subject to the acceptance of the TSXV. In the event that the TSXV requires changes to the terms or specific wording of the New Plan as a condition to granting acceptance, the New Plan submitted for approval at the Meeting will be amended to include the required changes.

The New Plan provides that the number of common shares in the capital of the Company issuable pursuant to options granted under the New Plan is limited to 10% of the number of common shares in the capital of the Company outstanding at the time of any stock option grant. Stock options to acquire 4,000,000 common shares in the capital of the Company granted and outstanding under the Existing Plan (the “**Existing Options**”) will be grandfathered under the New Plan. A maximum of 5,741,331 common shares in the capital of the Company (being 10% of the issued and outstanding common shares of the Company as of the Record Date), including the existing 4,000,000 common shares subject to the Existing Options which will be grandfathered under the New Plan, will be available for purchase pursuant to options granted pursuant to the New Plan.

Pursuant to the New Plan, stock options may be granted to directors, officers, employees and consultants of the Company or any subsidiary of the Company. The aggregate number of options granted to any option holder in a twelve month period must not exceed 5% of the issued and outstanding common shares of the Company, and the maximum number of options which may be granted to insiders within any twelve month period must not exceed 10% of the issued and outstanding common shares of the Company (unless the Company has obtained disinterested shareholder approval of such grants as required by the TSXV). The aggregate number of options granted to any one consultant of the Company within any 12 month period must not exceed 2% of the issued and outstanding common shares of the Company. Options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued and outstanding common shares of the Company in any 12 month period, calculated at the date an option is granted to any such person, and such options are subject to vesting provisions. The exercise price of the options to be granted under the New Plan will be determined by the Board and will not be less than the market value of the common shares as of the date of grant, as permitted by the TSXV.

The term of the options will not exceed 10 years, subject to extension if the expiry date of the options falls within a black-out period imposed by the Company or within 10 business days after the expiry of a black-out period. Any options granted pursuant to the New Plan will generally terminate within 90 days of the option holder ceasing to act as a director, officer, employee or consultant of the Company or any subsidiary of the Company, unless such cessation is on account of death or disability. If such cessation is on account of death or disability, the options will expire on the earlier of one year following the date of death or termination as a result of disability and the applicable expiry date of the options. Directors or officers who cease to hold office as a result of ceasing to meet the qualification requirements of corporate legislation, by special resolution of the shareholders of the Company, or by an order made by any regulatory authority shall have their options terminated on the date the director or officer ceases to hold such position. Employees or consultants who resign, are terminated for cause or are terminated as a result of an order made by any regulatory authority shall have their options terminated on the date such option holder ceases to hold such position.

The New Plan does not provide for mandatory vesting provisions of the options. Options granted under the New Plan may contain vesting provisions at the discretion of the Board (or a committee thereof).

Shareholder Approval of the New Plan

The rules of the TSXV require that the implementation of the New Plan be approved by the affirmative vote of a majority of the votes cast at the Meeting. Accordingly, the shareholders will be asked at the Meeting to pass the following ordinary resolution (the “**New Plan Resolution**”):

“RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. the proposed stock option plan (the “**New Plan**”), substantially in the form presented to the Meeting, be and is hereby approved, including the reservation for issuance under the New Plan at any time of a maximum of 10% of the then issued and outstanding common shares in the capital of the Company, and shall replace the existing stock option plan of the Company (the “**Existing Plan**”), subject to TSX Venture Exchange acceptance;
2. all of the issued and outstanding stock options of the Company previously granted under the Existing Plan shall be continued under and governed by the New Plan;

3. any director or officer be and is hereby authorized to make any and all additions, deletions and modifications to the New Plan as may be necessary or advisable to give effect to this ordinary resolutions or as may be required by applicable regulatory authorities or stock exchanges;
4. any director or officer he and is hereby authorized to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this resolution; and
5. notwithstanding approval of the shareholders of the Company as herein provided, the Board may, in its sole discretion, revoke this resolution before it is acted upon without further approval of the shareholders of the Company.”

An ordinary resolution is a resolution passed by a majority of 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 the shareholders vote in favour of the New Plan Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the New Plan Resolution.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com and on the Company's website at www.hansaresources.com. Financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the fiscal period ended June 30, 2017. Shareholders may also contact the Company to request copies by facsimile, telephone or mail, of the Company's financial statements and management's discussion and analysis at Hansa Resources Limited, Suite 1305, 1090 W. Georgia Street, Vancouver, British Columbia, V6E 3V7, Tel: (604) 685-9316, Fax: (604) 683-1585.

Schedule "A"

HANSA RESOURCES LIMITED
(the "Company")

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 Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company'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 or her 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 Company's 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 Company'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 at least twice 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 Chief Financial Officer 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 this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company 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.

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 Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) 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 Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) 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.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.