



JOURDAN RESOURCES INC.

NOTICE OF ANNUAL GENERAL AND  
SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON JUNE 12, 2018

AND

INFORMATION CIRCULAR

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May 11, 2018

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**JOURDAN RESOURCES INC.**  
600, Orwell Street, Unit 14  
Mississauga, Ontario L5A 3R9

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting of the shareholders (the “**Meeting**”) of Jourdan Resources Inc. (the “**Corporation**”) will be held at 65 Queen Street West, Suite 805, Toronto, Ontario Canada, M5H 2M5 on June 12, 2018 at 9:00 a.m. (Eastern Standard Time) for the following purposes:

1. to receive the consolidated annual financial statements of the Corporation for the financial year ended December 31, 2017 and the auditors’ report thereon;
2. to set the number of directors of the Corporation at four (4);
3. to elect the directors of the Corporation for the forthcoming year;
4. to appoint the auditors of the Corporation and to authorize the directors of the Corporation to fix their remuneration;
5. to ratify and approve the continuation of the rolling stock option plan of the Corporation, as described in the accompanying Management Information Circular (“**Circular**”);
6. to consider and, if thought appropriate, approve by way of ordinary resolution of disinterested shareholders the acquisition of the Rome Lithium Property, as set forth in the Circular.; and
7. to transact such other business as may properly be brought before the Meeting.

**Information relating to the matters to be dealt with at the Meeting is set forth in the Circular which accompanies this Notice of Meeting.**

DATED this 11<sup>th</sup> day of May, 2018

BY ORDER OF THE BOARD OF DIRECTORS

*(s) Michael Dehn*

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MICHAEL DEHN, President, CEO and Director

**IMPORTANT**

Only holders of common shares of the Corporation of record at the close of business on May 10, 2018 are entitled to receive notice of the Meeting and only those holders of the common shares of the Corporation of record at the close of business on May 10, 2018, or who subsequently become shareholders and comply with the provisions of the *Canada Business Corporations Act*, are entitled to vote at the Meeting.

**It is important that your common shares of the Corporation are represented at the Meeting.** Shareholders may exercise rights by attending the Meeting or by completing a form of proxy. If you are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy and return it in the envelope provided for that purpose. Proxies, to be valid, must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor, Proxy Dept., Toronto, Province of Ontario, M5J 2Y1, no later than 4:00 p.m., Eastern Standard Time, on June 8, 2018. **Your common shares will be voted in accordance with your instructions as indicated on the form of proxy or, if no instructions are given on the form of proxy, the proxy holder will vote “FOR” each of the matters indicated in paragraphs 2 to 6 hereinabove.**

**JOURDAN RESOURCES INC.**  
(the “Corporation”)

**INFORMATION CIRCULAR**

(containing information as at May 11, 2018 unless indicated otherwise)

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**PROXIES AND VOTING RIGHTS**

**SOLICITATION OF PROXIES**

The management of the Corporation solicits proxies to be used at the annual general meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this information circular (the “Information Circular”) that it is sending to all the security holders entitled to receive a Notice of Meeting.

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy following the instructions therein.

**The enclosed proxy is being solicited by the management of the Corporation and the expenses of this solicitation will be borne by the Corporation.** The solicitation will be conducted primarily by mail but proxies may also be solicited personally by officers, employees or agents of the Corporation, but without additional compensation. The Corporation shall, upon request, reimburse brokers and other persons holding common shares on their behalf or on behalf of nominees, for reasonable costs incurred in sending the proxy documents to shareholders.

**APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES**

Registered shareholders as of the record date are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Common Share that such shareholder holds on the record date of May 10, 2018 (the “Record Date”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

A shareholder may revoke a proxy at any time prior to its use by sending an instrument in writing executed by him, or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, at the same address where the form of proxy was sent and within the delays mentioned therein or two business days preceding the date the Meeting resumes if it is adjourned, or remit to the chairman of such Meeting on the day of the Meeting or any adjournment thereof if applicable.

## **EXERCISE OF DISCRETION BY PROXIES**

The management undertakes to respect the holder's instructions.

**The common shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment thereof, in accordance with the instructions of the shareholder thereon. In the absence of instructions, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Information Circular.**

**Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.**

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting or any adjournment thereof. If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

## **ADVICE TO NON REGISTERED SHAREHOLDERS**

**The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their shares in their own name, non-registered shareholders, (the “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting.** If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, *not* be registered in the shareholder’s name. Such 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 acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

National Instrument 54-101 - *Communication with Beneficial Owner of Reporting Issuers* (“**NI 54-101**”) of the Canadian Securities Administrators 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 shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. 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.

In Canada, the vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**BFSI**”). BFSI typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting

instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary of assistance.

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 (“**Objecting Beneficial Owners**”, or “**OBO’s**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBO’s**”). Subject to the provision of NI 54-101 issuers may request and obtain a list of their NOBO’s from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation 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. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation’s OBO’s can expect to be contacted by BFSI or their brokers or their broker’s agents as set out above.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or his or her broker’s agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares as proxyholder for the registered shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker’s agent) and return it to that broker (or that broker’s agent) in accordance with the broker’s instructions (or the agent’s instructions).

**All references to shareholders in this Information Circular, the enclosed form of proxy, and the Notice of Meeting are to the registered shareholders unless specifically stated otherwise.**

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

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

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

The Corporation is authorized to issue an unlimited number of common shares without par value. Each common share entitles its holder to one vote. As at the Record Date, determined by the Board of Directors (the “**Board**”), there were 35,723,112 common shares of the Corporation issued and outstanding.

The Board fixed the close of business on the Record Date for determining which shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof.

Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the management office of the Corporation.

To the knowledge of the Board and the management of the Corporation, there is no person who beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than ten percent of the voting rights attached to all voting securities of the Corporation as of the Record Date.

## **MATTERS FOR CONSIDERATION AT THE MEETING**

### **PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The Corporation's audited consolidated annual financial statements for the financial year ended December 31, 2017 as well as the auditors' report thereon will be presented to the Meeting but will not be subject to a vote.

### **ELECTION OF DIRECTORS**

The By-laws of the Corporation provide that the members of the Board, composed of a minimum of three (3) directors and a maximum of ten (10) directors, are elected annually. The mandates of Messrs. Michael Dehn, Rene Bharti, Réjean Gosselin and Maxime Lemieux will expire at the Meeting of June 12, 2018. At the Meeting, the shareholders will be asked to set the number of directors at four (4) and to elect the four (4) nominees whose names are set forth below as directors of the Corporation. Amongst all the nominees registered on the following list, Messrs. Michael Dehn and Maxime Lemieux were appointed as directors of the Corporation at the last annual general meeting of shareholders. Each of the nominees named hereunder has advised the management of the Corporation that he or she will be willing to serve as a director if elected.

Each nominee elected as a director will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless he ceases to hold office pursuant to the *Canada Business Corporations Act* or his office is earlier vacated pursuant to the By-laws of the Corporation.

The following table and the notes thereto state:

i) the names of all persons proposed to be nominated for election as directors, ii) which are currently directors of the Corporation and have been for the periods indicated, iii) all other positions and offices with the Corporation now held by them, iv) their principal occupations or employments and v) their periods of service as directors of the Corporation:

Name of proposed director and municipality of residence	Title within the Corporation	Director since	Principal occupation and Positions during the last 5 years <sup>(1)</sup>	Number and percentage of common shares owned or controlled <sup>(1)</sup>
Michael Dehn <sup>(2)</sup> Oakville, Ontario	Chairman, President, CEO and Director	October 5, 2011	President and Chief Executive Officer of the Corporation	3,977,080 <sup>(3)</sup> (3.79%)
Rene Bharti <sup>(2)(4)</sup> Toronto, Ontario	Director	February 26, 2018	Co-Founder and Director of ARHT Media Inc.	500,000 (1.39%)
Maxime Lemieux <sup>(2)</sup> Montreal, Québec	Director	June 25, 2014	Lawyer at McMillan LLP	42,500 (0.78%)
Blake Hylands Burlington, Ontario	Proposed Director	-	Geologist	0 (0.00%)

**Notes:**

- (1) The information as to principal occupation, business or employment and the number of common shares of the Corporation beneficially owned or over which control is exercised is not within the knowledge of management of the Corporation and has been provided by the respective individuals as of the Record Date.
- (2) Member of the Audit Committee.
- (3) Of these shares, 3,250,057 are held by Avanti Management & Consulting Limited, of which Mr. Michael Dehn owns directly and indirectly 50%.
- (4) Mr. Rene Bharti was appointed a director of the Corporation dated February 26, 2018.
- (5) These shares are held by RBF Capital Inc., a company controlled by Mr. Bharti.

**Biographies**

***Rene Bharti, Proposed Director***

Over a 20 year career, Mr. Bharti has held several key roles in both public and private companies, including those in the resource, technology and entertainment industry. Mr. Bharti co-founded ARHT Media, along with legendary singer Paul Anka, with the aim of creating the world's most lifelike digital humans to conduct e-commerce in a unique and viable platform. Mr. Bharti holds a Bachelor of Commerce (Honors) from Queens University.

***Blake Hylands, Proposed Director***

Mr. Hylands is a professional geologist with experience in gold, base metals and iron ore in Canada and internationally. He has held technical positions for several junior mining companies, including Coastal Gold from 2010 to 2015, where he developed grassroots mapping and sampling programs, managed large scale drill programs, and helped transition projects from early exploration to resource definition stage. Mr. Hylands holds a B.Sc in Geology from Western University in London, Ontario.

**Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Corporation, except as disclosed below, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any Corporation that:

- (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant corporation access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such corporation; or
  - (ii) 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 as director, chief executive officer, or chief financial officer of such corporation; or
- (b) is, or within the last ten years has been, a director or executive officer of any corporation that, while the proposed director 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 last ten years, 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 his assets.

To the knowledge of the Corporation, none of the nominees for election as director of the Corporation 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 security holder in deciding whether to vote for a proposed director.

Messrs. Michael Dehn and Maxime Lemieux were both directors of the Corporation when the Ontario Securities Commission, as principal regulator, the British Columbia Securities Commission, the Alberta Securities Commission and the Autorité des Marchés Financiers (collectively the “**Commissions**”), in accordance with their guidelines, issued on July 15, 3, and 21, 2015, respectively cease trade orders (collectively the “**CTO**”) that prohibited all trading of the securities of the Corporation. The CTO was issued against the Corporation for failure to file its annual financial statements and associated management disclosure and analysis for the period ended December 31, 2014 together with the required CEO and CFO certificate (the “**Outstanding Filings**”). The Outstanding Filings were completed on in January 2017 and the CTO issued by the Commissions had been revoked effective February 21, 2017.

**You can vote for the election of all the nominees described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote FOR the election of each of the nominees described above as director of the Corporation. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy reserve the right to vote for another nominee in their discretion, unless the shareholder has specified in the form of proxy that such shareholder's shares are to be withheld from voting on the election of the initial nominee.**

## APPOINTMENT OF AUDITORS

The auditors of the Corporation have been, since August 2, 2016, Gram LLP, Chartered Accountants (“**Gram**”), of Toronto, Province of Ontario.

The management proposes that Gram be re-appointed as auditors of the Corporation for the financial year ending December 31, 2018, and that the Board be authorized to fix the remuneration of the auditors.

**The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of Gram as auditors of the Corporation and IN FAVOUR of the authorization given to the Board to fix their remuneration, unless the shareholder specifies in the form of proxy to withhold from voting in this regard.**

## COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

### Compensation Discussion and Analysis

#### *Interpretation*

“Named executive officer” (“**NEO**”) means:

- (a) a Chief Executive Officer (“**CEO**”);
- (b) a Chief Financial Officer (“**CFO**”);
- (c) each of the three most highly compensated executive officers, 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 for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Mr. Michael Dehn, President and CEO, Mr. Nav Dhaliwal, former CFO, and John Ryan, CFO. Mr. Nav Dhaliwal resigned as CFO of the Corporation effective on August 29, 2017; concurrently, Mr. John Ryan was appointed CFO to fill the vacancy.

#### *Compensation Program Objectives*

The objectives of the Corporation’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Corporation’s continued success;
- to align the interests of the Corporation’s executives with the interests of the Corporation’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Corporation is still a junior mining corporation mostly involved in exploration and will not be generating significant revenues from

operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of the NEO.

### ***Purpose of the Compensation Program***

The Corporation's executive compensation program has been designed to reward executives for reinforcing the Corporation's business objectives and values, and for their individual performances.

### ***Elements of Compensation Program***

The executive compensation program consists of a combination of base salary, performance bonus and stock option.

### ***Purpose of Each Element of the Executive Compensation Program***

The base salary of a NEO is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary, each NEO is eligible to receive a bonus meant to motivate the NEO and is determined on a case by case basis. Awards under this plan are made by way of cash payments only, which payment are made at the end of the financial year.

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hire aligns a NEO's rewards with an increase in shareholder value over the long term. The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Corporation's performance and in the value of the shareholders' investments.

### ***Determination of the Amount of Each Element of the Executive Compensation Program***

#### **Intervention of the Board of Directors**

Compensation of each NEO of the Corporation is reviewed annually by the Board.

#### **Base Salary**

The base salary review of each NEO takes into consideration the current competitive market conditions, experience, performance, and the particular skills of the NEO. Base salary is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base salary amounts.

#### **Performance Bonuses**

The bonus for each NEO is determined on a case by case basis. The factors considered in assessing the bonus amounts include, but are not limited to, the position of the NEO and expense control.

#### **Stock Options**

The Corporation has established a rolling stock option plan (the "**Stock Option Plan**") under which stock options are granted to directors, officers, employees, and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEO (and other persons) are entitled to participate in the Stock Option Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price and expiry date. For further information regarding the Stock Option Plan refer to section "*Securities Authorized for Issuance under Equity Compensation Plans*".

The Board makes these determinations subject to the provisions of the existing Stock Option Plan and, where applicable, the policies of the TSX Venture Exchange (the “TSXV”).

### **Compensation Risk Management**

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation’s compensation policies and practices. The Corporation has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation’s securities granted as compensation or held, directly or indirectly, by directors or officers. The Corporation is not, however, aware of any directors or officers having entered into this type of transaction.

### **Link to Overall Compensation Objectives**

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary of each NEO, combined with the performance bonuses and granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

## **(A) COMPENSATION OF EXECUTIVE OFFICERS**

### **Summary Compensation Table**

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to the NEOs by the Corporation for services in all capacities to the Corporation during the two most recently completed financial years:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Michael Dehn President and CEO	2017	Nil	Nil	50,633	Nil	Nil	Nil	72,000	122,633 <sup>(2)</sup>
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Nav Dhaliwal <sup>(3)</sup> Former CFO	2017	Nil	Nil	7,233	Nil	Nil	Nil	Nil	7,233
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Ryan <sup>(4)</sup> CFO	2017	Nil	Nil	Nil	Nil	Nil	Nil	12,500	12,500

**Notes:**

- (1) The fair value of stock options is estimated at the vesting date using the Black-Scholes Option Pricing Model. This model requires the input of a number of assumptions, including expected dividend yields of nil%, expected stock price volatility of 100%, expected time until exercise between 5 years and risk-free interest rates of 1.4%. Although the assumptions used reflect management’s best estimates, they involve inherent uncertainties based on market conditions generally outside of the control of the Corporation. If other assumptions are used, stock option expense could be significantly impacted. As stock options are exercised, proceeds received on exercise are credited to share capital.
- (2) Management fees paid to Avanti Management & Consulting Limited (“Avanti”), a private corporation of which Mr. Dehn own 50% of the voting shares.
- (3) Mr. Nav Dhaliwal was appointed as CFO of the Corporation on August 2, 2016 and he resigned effective on August 29, 2017.

(4) Mr. John Ryan was appointed as CFO of the Corporation effective August 29, 2017.

### Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

Name	Option-based Awards				Share-based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options <sup>(1)</sup> (\$)	Number of Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Michael Dehn	30,000	0.50	March 26, 2024	Nil	Nil	Nil
	700,000	0.17	May 30, 2022	Nil	Nil	Nil

Note:

(1) The value of unexercised in-the-money options at financial year-end is based on the difference between the market value of the stock on the TSXV at December 29, 2017 of \$0.045 and the exercise price of the option.

### Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards to NEOs during the most recently completed financial year:

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value vested during the year (\$)
Michael Dehn	700,000	-	-
Nav Dhaliwal <sup>(1)</sup>	100,000	-	-
John Ryan <sup>(2)</sup>	-	-	-

Note:

(1) Mr. Nav Dhaliwal was appointed as CFO of the Corporation on August 2, 2016 and he resigned effective on August 29, 2017.

(2) Mr. John Ryan was appointed as CFO of the Corporation effective August 29, 2017.

### Pension Plan Benefits

The Corporation does not have a defined benefits pension plan or a defined contribution pension plan.

### Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreement, plans or arrangements for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in an NEO's responsibilities.

## (B) DIRECTOR COMPENSATION

### Director Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Corporation (other than the NEOs) for the most recently completed financial year:

Director	Fees earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	Other Compensation (\$)	Total (\$)
Harvey McKenzie <sup>(1)</sup>	-	-	-	-	-	-	-
Réjean Gosselin	-	-	-	-	-	-	-
Maxime Lemieux	-	-	-	-	-	-	-

Note:

- (1) Mr. Harvey McKenzie resigned as a director of the Corporation effective on January 17, 2018.

### Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation (other than the NEOs):

Name	Option-based Awards				Share-based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options <sup>(1)</sup> (\$)	Number of Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Harvey McKenzie <sup>(2)</sup>	350,000	0.17	May 30, 2022	Nil	Nil	Nil
Réjean Gosselin	20,000	0.50	March 26, 2024	Nil	Nil	Nil
	350,000	0.17	May 30, 2022	Nil	Nil	Nil
Maxime Lemieux	5,000	0.50	March 26, 2024	Nil	Nil	Nil
	350,000	0.17	May 30, 2022	Nil	Nil	Nil

Note:

- (1) The value of unexercised in-the-money options at financial year-end is based on the difference between the market value of the stock on the TSXV at December 29, 2017 of \$0.045 and the exercise price of the option.  
(2) Mr. Harvey McKenzie resigned as a director of the Corporation effective on January 17, 2018.

### Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

There were no option based awards vested or earned during financial year ended December 31, 2017 to any director who was not an NEO.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (\$) (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	2,500,000	\$0.075	1,302,311
Equity compensation plans not approved by security holders	-	-	-

## STOCK OPTION PLAN

The Corporation has no equity compensation plans other than the Stock Option Plan (as defined hereinafter). The Stock Option Plan is an important part of the Corporation's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The Stock Option Plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Corporation and the degree to which such executive officer's long term contribution to the Corporation will be the key to its long-term success. Previous grants of stock options are taken into account when considering new grants.

## DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Corporation does not currently maintain Directors and Officers Liability Insurance and is still searching for new liability insurance for its directors and officers.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the financial year ended December 31, 2017, and as at the date of this Information Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such person would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation, other than what is disclosed in this Information Circular.

"Informed person" means:

- (a) a director or executive officer of the Corporation;

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

### **MANAGEMENT CONTRACTS**

Since the start of the Corporation’s most recently completed financial year, no management functions of the Corporation have been, to any substantial degree, performed by a person other than the directors or executive officers of the Corporation.

### **AUDIT COMMITTEE**

National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) requires the Corporation, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

#### **Charter of the Audit Committee**

The Corporation’s Audit Committee is governed by an audit committee charter, a copy of which is available on the Corporation website and as well attached hereto as Schedule “A”.

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

The Corporation’s Audit Committee is comprised of as set forth in the table hereinbelow.

<b>Name</b>	<b>Independence<sup>(1)</sup></b>	<b>Financial Liberty<sup>(2)</sup></b>
Michael Dehn	Not Independent <sup>(3)</sup>	Financially Liberate
Rene Bharti	Independent	Financially Liberate
Maxime Lemieux	Independent	Financially Liberate

**Note:**

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board, reasonably interfere with the exercise of a member’s independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.
- (3) Mr. Michael Dehn is not independent, as he is the CEO and President of the Corporation.

### **Education and Relevant Experience**

of Each of the members of the Audit Committee has relevant education and related experience to perform his responsibilities as a member of the Audit Committee.

### **Audit Committee Oversight**

At no time since the commencement of the Corporation's financial year ended December 31, 2017 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 Corporation's financial year ended December 31, 2017 has the Corporation relied on the exemption provided under Section 2.4 of NI 52-110 (*De minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

However, the Corporation is a "venture issuer" as defined in NI 52-110 and is relying on the exemption contained in Section 6.1 of NI 52-110, which exempts the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

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

The Audit Committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee's charter attached hereto as Schedule "A".

### **External Auditor Service Fees**

The fees paid by the Corporation to its auditor in its previous three financial year-ends, by category, are as follows:

<b>Financial Year Ended</b>	<b>Audit Fees</b>	<b>Audit-Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
December 31, 2017	\$25,000	-	-	-
December 31, 2016	\$12,000	-	-	-
December 31, 2015	\$17,500	\$807.13	-	-

## CORPORATE GOVERNANCE PRACTICES

*National Instrument 58-101 - Disclosure of Corporate Governance Practices and National Policy 58-201 Corporate Governance Guidelines* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

### Board of Directors

#### 1. Independent Directors

The independent directors of the Corporation are Rene Bharti, Maxime Lemieux, and Réjean Gosselin (who will cease being a director of the Corporation as at the Meeting dated hereof).

#### 2. Non-Independent Directors

The non-independent director of the Corporation is Michael Dehn, in light of his position as President and CEO of the Corporation.

### Directorships

The following table sets out the directors of the Corporation that are currently directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian or foreign jurisdictions.

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	Since
<b>Michael Dehn</b>	Golden Hope Mines Limited	TSXV	Director	June 30, 2015
	Prime Meridian Resources Corp.	TSXV	Director and Officer	May 21, 2014
	Phoenix Metals Corporation	NEX	Officer	April 17, 2014
	West Red Lake Gold Mines Inc.	CSE	Director	May 26, 2010
	Goliath Resources Limited	TSXV	Director	October 18, 2017
<b>Rene Bharti</b>	ARHT Media Inc.	TSXV	Officer and Director	October 17, 2014
<b>Maxime Lemieux</b>	Lamêlée Iron Ore Ltd.	TSXV	Director and Officer	July 28, 2016
	Kintavar Exploration Inc.	TSXV	Director	March 24, 2017
	GobiMin Inc.	TSXV	Director	July 11, 2016

## **Orientation and Continuing Education**

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, measures are taken to ensure that all new directors receive a comprehensive orientation regarding the role of the Board, its committee and its directors, as well as the operation of the Corporation's business. Each new director is provided with a copy of the Corporation's policies and receives a comprehensive introduction to the Board and the Corporations' affairs. Each new director brings a different skill set and professional background, and with this information, the Chairman is able to determine what orientation to the nature and operation of the Corporation's business will be necessary and relevant to each new director.

Measures are also taken to provide continuing education for directors in order that they maintain the skill and knowledge necessary for them to meet their obligations as directors.

The Board's policies are reviewed at least annually and revised materials are given to each director. Technical presentations are regularly given at Board meetings, focusing on the Corporation's business and properties. The question and answer portions of these presentations are a valuable learning resource for the non-technical directors. In addition, directors are invited to visit the Corporation's properties so as to become better acquainted with operational aspects.

## **Ethical Business Conduct**

The Board complies with the conflict of interest provisions of the *Canada Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest. The Board has also established a Corporate Disclosure Policy and an Insider Trading Policy to encourage and promote a culture of ethical business conduct. The Corporation takes steps to ensure that directors do not trade on securities of the Corporation when the communication of material information is imminent.

## **Nomination of Directors**

The Board does not have a nominating committee. The current size and composition of the Board allow the entire Board to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences and ability to devote the required time.

## **Compensation**

The process by which the Board currently determines the compensation of the executive officers of the Corporation is described in the section entitled "Compensation of Executive Officers and Directors" above. The compensation of the directors of the Corporation is determined by the Board, as a whole. The Corporation is a mineral exploration corporation. Therefore, in determining the compensation of the directors, the Board considers the size of the Corporation, its financial resources and the compensation received by individuals occupying similar functions in other comparable Canadian companies.

## **Assessments**

The Board regularly reviews the necessity of setting up other committees as well as the role of its directors, and individual directors are encouraged to give feedback regarding the effectiveness of the Board as a whole.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### RATIFICATION OF STOCK OPTION PLAN

The shareholders of the Corporation have approved and adopted a 10% “rolling” Stock Option Plan at the annual general meeting held on May 19, 2017 via the adoption an ordinary resolution.

Shareholders will be asked to approve the ordinary resolution set forth below in this Circular (the “Plan Resolution”) ratifying the Corporation’s current Stock Option Plan, which is considered a “rolling” stock option plan. The current Stock Option Plan allows the Corporation to reserve a maximum of 10% of the Corporation’s total outstanding Common Shares at the time of grant for issuance. Any previous granted options are governed by the Stock Option Plan, and if options granted expire or terminate for any reason without having been exercised, the unpurchased Common Shares will again be available under the Stock Option Plan. The policies of the TSXV provide that, where a Corporation has a rolling stock option plan in place, it must seek Shareholder approval for such plan annually.

A full copy of the Stock Option Plan will be available for inspection at the Meeting.

In order for the resolution approving and ratifying the Stock Option Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting.

#### ***“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:***

- 1. The Stock Option Plan of the Corporation is hereby ratified and shall continue and remain in effect until further ratification is required pursuant to the rules of the TSXV or other applicable regulatory requirements;*
- 2. Any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this ordinary resolution.”*

**The Board believes that the Stock Option Plan is in the best interests of the Corporation and unanimously recommends that shareholders vote FOR the Stock Option Plan. In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the Plan Resolution ratifying the Stock Option Plan.**

### APPROVAL OF PROPOSED TRANSACTION

The Corporation has entered into a non arm’s length letter agreement (the “**Agreement**”) with Fairmont Resources Inc. (TSXV: FMR) (“**Fairmont**”), pursuant to which Fairmont granted to the Corporation a right of first refusal (the “**ROFR**”) to acquire a 100% interest in the Rome Lithium Property (the “**Property**”), which is adjacent to North American Lithium’s Quebec Lithium Mine near Val d’Or, Quebec (the “**Proposed Transaction**”).

The Proposed Transaction is more particularly described in the press release of the Corporation dated June 29, 2017, a copy of which is available under the Corporation’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). The TSXV’s conditional approval of the Proposed Transaction requested the approval of the disinterested shareholders (as defined below) of the Corporation in order to complete the Proposed Transaction.

## ***Definitions***

A “disinterested shareholder” means a shareholder of the Corporation that is neither an Insider nor an Associate of an Insider.

An “**Insider**” is a director or an officer of the Corporation, a director or an officer of a company that is itself an Insider or a subsidiary of an Insider, or a person that has beneficial ownership of, and/or control or direction, either directly or indirectly over, securities of the Company carrying more than 10% of the voting rights attached to all the Corporation’s outstanding voting securities.

An “**Associate**” means, if used to indicate a relationship with any person,

- (a) a partner, other than a limited partner, of that person,
- (b) a trust or estate in which that person has a substantial beneficial interest or for which that person serves as trustee or in a similar capacity,
- (c) an issuer in respect of which that person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the issuer, or
- (d) a relative, including the spouse, of that person or a relative of that person's spouse, if the relative has the same home as that person.

In order for the ordinary resolution approving the Proposed Transaction to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by disinterested shareholders present in person or by proxy at the Meeting.

Pursuant to the requirement of the TSXV, disinterested shareholders approval is a prerequisite condition to the final acceptance of the Proposed Transaction by the TSXV. The disinterested shareholders of the Corporation will be asked to consider and vote on the ordinary resolution to approve the Proposed Transaction provided as the following format:

### ***“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:***

1. *Subject to the approval of the TSX Venture Exchange, the Corporation is hereby authorized and empowered to proceed with the Proposed Transaction to acquire the interests in the Property in the manner contemplated by the Agreement;*
2. *The Corporation is hereby authorized and empowered to enter into, execute, deliver and perform its obligations under the Agreement and all other agreements and documents necessary to give effect to the closing of the Proposed Transaction in the manner contemplated by the Agreement (together, the “**Transaction Documents**”) with any amendments thereto as necessary or desirable to give effect to the Proposed Transaction;*
3. *Any one director or officer of the Corporation be and is hereby authorized and empowered, acting for, in the name and on behalf of the Corporation, to take all necessary steps and proceedings, to execute or cause to be executed, and to deliver or caused to be delivered and perform or caused to be performed the provisions of all agreements and other documents relating to the Proposed Transaction and these resolutions, including without limitation the Transaction Documents, and to do all such other acts and things as they may determine to be necessary or advisable in connection with the transaction contemplated by these resolutions, the execution of any such agreement, amendment, instrument, certificate, election or other document or the doing of any such other act or thing being conclusive evidence of such determination; and*

4. *Each and every action previously taken and performed by any director, officer, employee or agent of the Corporation in connection with the actions contemplated by the foregoing resolutions is hereby ratified, confirmed and approved in all respects as the acts and deed of the Corporation.*”

**The Board unanimously recommends the disinterested shareholders APPROVE the Proposed Transaction hence it is very importance to the Corporation’s business enhancement. Unless otherwise instructed, the management proxy nominees named in the accompanying form of proxy intend to vote the Common Shares represented thereby in respect of the Meeting “FOR” the approval of the Proposed Transaction.**

#### **OTHER MATTERS**

Management of the Corporation is not aware of any amendment regarding the matters on the agenda set forth in the Notice of Meeting nor of any other matters which may properly come before the Meeting other than those set forth in the Notice of Meeting.

#### **SHAREHOLDER PROPOSALS**

Pursuant to the *Canada Business Corporations Act*, shareholders wishing to submit to the Corporation a proposal for consideration at the Corporation’s next annual meeting must do so by no later than 90 days prior to the anniversary of the date of this Notice of Meeting.

#### **ADDITIONAL INFORMATION**

Additional financial information is provided in the comparative consolidated financial statements of the Corporation, and in the management’s discussion and analysis of the financial condition for the financial year ended December 31, 2017. Copies of this Information Circular and the documents mentioned hereinabove are available on SEDAR ([www.sedar.com](http://www.sedar.com)). Additional copies are also available by contacting the Corporation at its Toronto office.

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

#### **APPROVAL OF INFORMATION CIRCULAR**

The contents and the sending of the Information Circular have been approved by the Board of the Corporation.

Mississauga, May 11, 2018

**By order of the Board of Directors**

*(s) Michael Dehn*  
\_\_\_\_\_  
**Michael Dehn, President, CEO and Director**

## **SCHEDULE A**

### **JOURDAN RESOURCES INC.**

#### **AUDIT COMMITTEE CHARTER**

##### **1. MANDATE AND OBJECTIVES**

The mandate of the audit committee of the Corporation (the “**Committee**”) is to assist the board of directors of the Corporation (the “**Board**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting and the Corporation’s auditing, accounting and financial reporting processes.

The objectives of the Committee are to:

- (i) serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements;
- (ii) ensure the independence of the Corporation’s external auditors; and
- (iii) provide better communication among the Corporation’s auditors, the management and the Board.

##### **2. COMPOSITION**

The Committee shall be comprised of at least three (3) directors as determined by the Board. The majority of the members of the Committee shall be independent, within the meaning of Regulation 52- 110.

At least one (1) 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 this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholder’s meeting. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

##### **3. MEETINGS AND PROCEDURES**

- 3.1 The Committee shall meet at least once a year or more frequently if required.
- 3.2 At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote.
- 3.3 A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.

#### **4. DUTIES AND RESPONSIBILITIES**

The following are the general duties and responsibilities of the Committee:

##### **4.1 Financial Statements and Disclosure Matters**

- a) review the Corporation's financial statements, MD&A and any press releases regarding annual and interim earnings, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public; and
- b) must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection a) above, and must periodically assess the adequacy of those procedures.

##### **4.2 External Auditors**

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually as well the compensation of such external auditors;
- b) oversee the work and review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- c) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- d) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- e) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
- f) review the audit plan for the year-end financial statements and intended template for such statements;
- g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
  - i) the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
  - iii) such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the

non-audit services is presented to the Committee at its first scheduled meeting following such approval.

#### **4.3 Financial Reporting Processes**

- a) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
- b) consider the external auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
- c) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
- d) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- e) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- f) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.