



NOTICE OF MEETING

- and -

MANAGEMENT INFORMATION CIRCULAR

for the

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

of

SPHINX RESOURCES LTD.

to be held on

August 27, 2015

These materials are important and require your immediate attention. They require shareholders of Sphinx Resources Ltd. to make important decisions. If you are in doubt as to how to make your decisions, please contact your financial, legal or other professional advisors. If you have any questions or require additional information with regard to the procedures for voting, you are asked to contact Computershare Trust Company of Canada by Fax at (416) 263-9524 or 1-866-249-7775 or by e-mail at service@computershare.com.



NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of Sphinx Resources Ltd. (the “**Corporation**”) will be held at the offices of Osler, Hoskin & Harcourt LLP, 1000 De La Gauchetière Street West, Suite 2100, Montréal, Québec, H3B 4W5 at 1:30 p.m. (Eastern time) on Thursday, August 27, 2015, for the following purposes:

1. to receive the audited financial statements of the Corporation for the fiscal year ended February 28, 2015, together with the auditor’s report thereon;
2. to elect directors for the ensuing year;
3. to appoint PricewaterhouseCoopers LLP as the auditor for the Corporation and to authorize the directors to fix their remuneration;
4. to consider and, if deemed advisable, to adopt, with or without variation, a resolution to confirm, ratify and approve the By-laws (the “**Resolution to Approve the By-Laws**”);
5. to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders of record as of 5:00 p.m. (Eastern time) on July 22, 2015 are entitled to vote at the Meeting either in person or by proxy. If you are a registered Shareholder and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and deposit it with Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by fax at (416) 263-9524 or 1-866-249-7775, not later than 1:30 p.m. (Eastern time), on August 25, 2015 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the date of any adjournment or postponement of the Meeting. If you are a non-registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by such broker or other intermediary.

DATED at Montréal, Québec, the 22nd day of July 2015.

BY ORDER OF THE BOARD OF DIRECTORS OF THE CORPORATION

(s) Normand Champigny

Normand Champigny
President and Chief Executive Officer



MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 27, 2015

This information is given as of July 22, 2015, unless otherwise noted.

All currency references are expressed in Canadian Dollars unless otherwise specified.

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Sphinx Resources Ltd. (the “**Corporation**”) for use at the annual general and special meeting (the “**Meeting**”) of holders (the “**Shareholders**”) of common shares of the Corporation (the “**Common Shares**”), to be held on Thursday, August 27, 2015, at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by Management of the Corporation. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Corporation. In addition, the Corporation shall, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of Common Shares.

The record date for determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting is July 22, 2015 (the “**Record Date**”). Only Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date (the “**Registered Shareholders**”) will be entitled to receive notice of, and to vote at, the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Corporation. Only Registered Shareholders will receive a form of proxy. Non-registered Shareholders will receive a voting instruction form, as further discussed under the heading “**Non-Registered Shareholders**” below.

A Registered Shareholder has the right to appoint a person to attend and act on his, her or its behalf at the Meeting other than the persons named in the enclosed instrument of proxy, should he, she or it chooses to do so. To exercise this right, the Registered Shareholder shall strike out the names of the persons named in the form of proxy and insert the name of his, her or its appointee in the blank space provided, or complete another proxy. The completed proxy should be deposited with the Corporation’s Registrar and Transfer Agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

The proxy must be dated and signed by the Registered Shareholder or by his or her attorney in writing, or if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

In addition to revocation in any other manner permitted by law, a Registered Shareholder may revoke a proxy by an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporate entity, it must either be under its common seal, or signed by a duly authorized officer and deposited with the Corporation's Registrar and Transfer Agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by Fax within North America at (416) 263-9524 or 1-866-249-7775, at any time up to and including the last day preceding the day of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.

NON-REGISTERED SHAREHOLDERS

Only Registered Shareholders or duly-appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are "non-registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a Registered Shareholder in respect of Common Shares which are held on behalf of that person (the "**Non-Registered Shareholder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the Common Shares; or (b) in the name of a clearing agency of which the Intermediary is a participant. Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSA's and similar plans. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms).

Non-Registered Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as "**NOBO's**". Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as "**OBO's**".

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Corporation has elected to send the Notice of Meeting, this Circular and the form of proxy (collectively, the "**Meeting Materials**") directly to the NOBO's. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

Meeting Materials sent to Non-Registered Shareholders who have not waived the right to receive them are accompanied by a request for voting instructions (a "**VIF**"). The VIF is used instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Shareholder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Shareholder. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Shareholders to direct the voting of the Common Shares which they beneficially own. Should a Non-Registered Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on his, her or its behalf, the Non-Registered Shareholder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Shareholder or his, her or its nominee the right to attend and vote at the Meeting. **Non-Registered Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.**

All references to Shareholders in the Meeting Materials (including this Circular) are to Registered Shareholders, unless specifically stated otherwise.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

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

In the absence of any direction in the proxy, it is intended that such Common Shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular. The enclosed instrument of proxy, when properly signed, confers discretionary authority with respect to amendments or variations to any matters, which may properly be brought before the Meeting. At the time of printing of this Circular, Management of the Corporation is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters, which are not now known to the Management, should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

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

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares without par value. At the close of business on the Record Date, 42,843,626 Common Shares were issued and outstanding, each Common Share carrying the right to one vote. At a meeting of Shareholders of the Corporation, on a show of hands, every Shareholder present in person shall have one vote and on a poll, every Shareholder shall have one vote for each Common Share held.

Only Shareholders of record on the close of business on the Record Date, who either personally attend the Meeting or who complete and deliver a proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his, her or its Common Shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and senior officers of the Corporation, except as described below, no Shareholder owns or exercises control or direction over, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation.

As at the Record Date, Amixam Resources Inc. ("Amixam") and its principals Michel Belisle and Michel Gauthier own or exercise control over 4,000,000 common shares, or 9.3% of the currently outstanding common shares, and up to 10,615,384 common shares, or up to 21.5% of the currently outstanding common shares assuming full issuances to Amixam under the Green Palladium property and the Calumet Sud project acquisition agreements. However, the definitive agreement for the acquisition of the Calumet Sud project will provide that in no event Amixam and its principals shall own at any time more than 19.99% of the outstanding common shares of the Corporation and share issuances contemplated in the Amixam Agreements will be postponed until such time as this condition can be met.

Management understands that while a majority of the Common Shares is registered in the name of CDS & Co., such shares are beneficially owned through various dealers and other Intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such Common Shares are not known to the Corporation.

The above information was provided by Management of the Corporation and the Corporation's registrar and transfer agent as of the Record Date.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

No amounts are owed to the Corporation by any directors or executive officers of the Corporation, proposed nominees for election as a director of the Corporation or associates of any such individual at any time since the beginning of the last completed financial year of the Corporation.

STATEMENT OF EXECUTIVE COMPENSATION

In this section “**Named Executive Officer**” means (a) the Chief Executive Officer (or an individual who acted in a similar capacity) (the “**CEO**”), (b) the Chief Financial Officer (or an individual who acted in a similar capacity) (the “**CFO**”), (c) each of the Corporation’s three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the CFO (except those whose total compensation does not exceed \$150,000), and (d) any additional individuals whose total compensation exceeded \$150,000 during the financial year ended February 28, 2015.

As at December 10, 2013, the Corporation had four Named Executive Officers, namely Harvey Keats, CEO; Normand Champigny, President and CFO; David Patterson, Executive Chairman; and Robin Adair, Vice President of Exploration.

Currently, the Corporation has two Named Executive Officers, namely Normand Champigny, President and CEO (as of December 10, 2013) and Ingrid Martin, CFO (effective April 30, 2014).

Compensation Discussion and Analysis

During the financial year ended February 28, 2015, the Named Executive Officers were compensated for their services as executive officers of the Corporation. See “Summary Compensation Table” below for details of the total compensation received by the Name Executive Officers for the financial years ended February 28, 2015, February 28, 2014 and February 28, 2013.

Effective April 16, 2012, the Corporation entered into an employment agreement with Normand Champigny for his services as President of the Corporation, pursuant to which an annual amount of \$240,000 plus benefits are paid. On October 17, 2012, Normand Champigny was appointed CFO of the Corporation, which appointment did not result in any increase of his base compensation.

On November 12, 2013 and December 10, 2013 the agreement Normand Champigny was amended to waive termination and change of control provisions as well as cancelling of all stock options. The end of the term of the management agreements was agreed to be February 28, 2014. The parties agreed that amounts due under the agreements would be paid when the Corporation was in a position to pay those amounts. As at February 28, 2014, the Corporation owed \$60,000 to Normand Champigny. The \$60,000 owed to Normand Champigny was paid in full in March 2014.

Normand Champigny Agreement

Effective July 1, 2014, the Corporation entered into a new employment agreement with Normand Champigny for his services as President and CEO of the Corporation, pursuant to which an annual amount of \$240,000 plus benefits are paid.

Normand Champigny shall be entitled to participate in any incentive programs for the Corporation’s executives, including, without limiting the generality of the foregoing, share option plans, share purchase plans, stock appreciation rights, profit-sharing or bonus plans. Any bonuses paid will generally be tied to performance of the Corporation, measured by the increased value of the Corporation or its assets, attributable to the efforts of the Named Executive Officer (either alone or in conjunction with others).

The Corporation may terminate the employment agreement without cause and Normand Champigny may terminate the employment agreement for “Good Cause”, in which in either event, the Corporation shall be obligated to pay Normand Champigny an amount of (i) \$240,000 or (ii) an amount of \$480,000 if the revenues of the Corporation (as stated in the Corporation’s audited financial statements) are a minimum of \$100 million in the preceding 12-month period prior to the termination date.

Notwithstanding any other provision in Normand Champigny’s employment agreement, if within 12 months following a change of control of the Corporation (as defined below), Normand Champigny’s employment is terminated by the Corporation without Good Cause or, in the event Normand Champigny terminates his employment agreement for Good Cause, he will receive as severance an amount of \$240,000. For the purposes of Normand Champigny’s employment agreement, a “change of control” is defined as follows:

- (a) the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, as such terms are defined in the *Securities Act* (Québec), of Common Shares which, when added to all other Common Shares held directly or indirectly by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 25% or more of the outstanding Common Shares and such shareholding exceeds the collective shareholding of the current directors of the Corporation, excluding any directors acting in concert with the acquiring party;
- (b) the removal, by extraordinary resolution of the Shareholders, of more than 51% of the then incumbent Board, or the election of a majority of the members of the Board to the Board who were not nominees of the incumbent Board at the time immediately preceding such election;
- (c) consummation of a sale of all or substantially all of the assets of the Corporation; or
- (d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as (a) (b) or (c) above.

Notwithstanding the provisions set out above, in the event the Corporation sells all or substantially all of its assets, and Normand Champigny’s employment is not terminated by the Corporation, Normand Champigny shall be entitled to a bonus commensurate with the value received by the Corporation, as determined by the Board.

Ingrid Martin CPA inc. Agreement

On March 20, 2014 the Corporation entered into a consulting agreement with Ingrid Martin CPA inc. (“**IMCPA**”) pursuant to which IMCPA has agreed to provide, as an independent contractor, certain accounting, financial, administrative and secretarial services to the Corporation for a monthly fee based on certain agreed upon hourly rates for the services provided. The services to be provided by IMCPA include, among other things, preparing quarterly and annual financial statements and management’s discussion and analysis, assisting the Corporation’s auditors during audit of the annual financial statements, preparing tax returns, bookkeeping, filing continuous disclosure documents on SEDAR and providing general administration and secretarial services for the Corporation. The hourly rates charged by IMCPA for secretarial, administrative, financial and accounting services are consistent with industry standards.

During the term of the IMCPA agreement, Ingrid Martin, President of IMCPA has agreed to act as the CFO of the Corporation effective as of April 30, 2014 and Corporate Secretary as of May 12, 2015.

Ingrid Martin shall be entitled to participate in any incentive programs for the Corporation’s executives, including, without limiting the generality of the foregoing, share option plans, share purchase plans, stock appreciation rights, profit-sharing or bonus plans. Any bonuses paid will generally be tied to performance of the Corporation, measured by increased value of the Corporation or its assets, attributable to the efforts of the Named Executive Officer (either alone or in conjunction with others).

The Corporation will pay a lump sum equivalent to 4 months of consulting fees in the event one of the following conditions occurs:

- (a) change of control of the Corporation whereby, whether friendly or hostile, through takeover bid, private purchase, merger, amalgamation, corporate reorganization or any other form of business combination, more than 50% of the Corporation is acquired;
- (b) change of business of the Corporation whereby by a transaction or series of transactions which will redirect the Corporation's resources and which changes the nature of its business, for example, through the acquisition of an interest in another business which represents a material amount of the Corporation's market value, assets or operations, or which becomes the principal enterprise of the Corporation;
- (c) change of control of the Corporation which includes situations where after giving effect to the contemplated transaction and as a result of such transaction: (i) any one person holds a sufficient number of the voting shares of the Corporation or resulting entity to affect materially the control of the Corporation or resulting entity, or (ii) any combination of persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of the voting shares of the Corporation or resulting entity to affect materially the control of the Corporation or resulting entity; where such person or combination of persons did not previously hold a sufficient number of voting shares to affect materially the control of the Corporation or resulting entity;
- (d) there occurs a change in the composition of the Board, which occurs at a single meeting of the Shareholders, or a succession of meetings of the Shareholders occurring within 6 months of one another, whereby such individuals who were members of the Board immediately prior to such meeting or succession of meetings cease to constitute a majority of the Board, as constituted immediately prior to such meeting or meetings, approving of such change;
- (e) a sale of substantially all the assets of the Corporation to another person. Person meaning any individual, corporation or other entity;
- (f) the Corporation materially alters the duties and responsibilities of IMCPA without its prior written consent;
- (g) the Corporation materially breaches the terms of the IMCPA agreement and the failure of the Corporation to cure such breach within thirty (30) days; or
- (h) discontinuance of the active operation of business of the Corporation or insolvency of the Corporation or the filing by or against the Corporation of a petition in bankruptcy or for reorganization or restructuring or pursuant to applicable insolvency or bankruptcy legislation.

Base Compensation

Each executive officer of the Corporation receives a base compensation, which constitutes the largest part of the executive officer's compensation package. Base compensation is recognition for discharging job responsibilities and reflects the executive officer's performance over time, as well as his or her particular experience and qualifications. The overall base compensation for each of Normand Champigny and Ingrid Martin is determined on the basis of particular experience and specific qualifications. More particularly as it relates to the financial years ended February 28, 2015 and February 28, 2014, the base compensation for Mr. Champigny was determined on the basis of his knowledge of, and his unique experience in, the industry in general and more precisely of the mining community in the Province of Québec, where the Corporation's interests are currently located. In addition, the ability for the Corporation to implement its strategy in the short, mid and long-term is dependent upon its ability to recruit and retain highly-skilled management. The Corporation believes that in order to achieve such strategy, it needs to maintain a relatively-competitive base compensation structure *vis-à-vis* its peers.

Benefits and Perquisites

The Corporation's President and Chief Executive Officers benefits of monthly allowances for the purposes in particular, of personal insurance and travel expenses. Such benefits and perquisites are designed to be competitive with the market comparators.

Compensation Committee

Historically, responsibility for the review and determination of compensation of the Corporation's executive officers had been delegated to the Corporation's compensation committee (the "Compensation Committee"). For the financial year ended February 28, 2014, responsibility for the review and determination of compensation of the Corporation's executive officers has been assumed by the Board. The activities of the Compensation Committee resumed on March 1, 2014. The Compensation Committee has no written charter. The following are the current members of the Compensation committee: John W. W. Hick, David A. Johnson (chair) and Kerry E. Sparkes.

Option-based Awards

Shareholders have approved a stock option plan pursuant to which the Board may grant stock options to executive officers. The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the Shareholders. In determining the number of stock options to be granted to the executive officers of the Corporation, the Board and the Compensation Committee take into account the number of stock options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange (the "Exchange" or the "TSXV"). During the financial year ended February 28, 2015, 1,525,000 stock options were granted.

Compensation Governance

Considering that the compensation package of the Corporation is composed mainly of the base compensation and stock options grants, neither the Board nor the Compensation Committee considers any specific risk associated with the compensation policies and practices of the Corporation. In the event the Corporation elects to include the achievement of performance goals in its compensation package, the Board and/or the Compensation Committee will then have to determine whether risks should be considered or not. Recently, the Corporation has made significant changes to its compensation practices and currently expects to make additional significant changes to its compensation policies and practices in the next financial year.

Directors, officers and employees of the Corporation are prohibited from hedging securities of the Corporation that they beneficially own, or over which they exercise control or direction, directly or indirectly, including trading in publicly traded options, puts, calls or other derivative instruments related to the Corporation's securities, if any.

Summary Compensation Table

The following table sets forth all annual and long term compensation for services paid to or earned by the Named Executive Officers for the three most recently completed financial years ended February 28, 2015, February 28, 2014 and February 28, 2013.

Name and principal position	Year	Salary (\$)	Share-based awards ⁽³⁾ (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value ⁽³⁾ (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Normand Champigny ⁽⁴⁾ President and CEO	2015	160,000	-	33,000 ⁽²⁾	-	-	-	81,112 ⁽⁴⁾	274,112
	2014	179,000	-	-	-	-	-	79,000 ⁽⁴⁾	258,000
	2013	197,219	-	55,000 ⁽¹⁾	-	-	-	15,000 ⁽⁴⁾	267,219
Ingrid Martin ⁽⁴⁾ , CFO and Corporate Secretary	2015	92,006 ⁽⁵⁾	-	11,000 ⁽²⁾	-	-	-	-	103,006

Notes:

1. On 33,333 options granted to Normand Champigny, the \$1.65 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 49.7%, a risk-free interest rate of 1.19% and an expected life of options of one year.
2. On the 600,000 options granted to Normand Champigny and the 200,000 options granted to Ingrid Martin, the \$0.055 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 100%, a risk-free interest rate of 2.21% and an expected life of options of six years. The Corporation does not have a retirement plan or a share-based compensation plan.
3. Normand Champigny was appointed President of the Corporation on April 16, 2012 and as CEO and President on December 10, 2013. Normand Champigny was CFO from October 17, 2012 to April 30, 2014.
4. \$80,000 (\$79,000 in 2014 and \$15,000 in 2013) was paid to Champigny Barcelos & Associés Inc., a company controlled by Normand Champigny, for management services. Starting January 1, 2015, Normand Champigny received \$1,112 for the reimbursement of various fees as more fully described under the heading “Compensation Discussion and Analysis – Benefits and Perquisites”.
5. Ingrid Martin was appointed CFO on April 30, 2014, Director on October 2, 2014 and Corporate Secretary on May 12, 2015. The CFO receives her compensation through a Corporation controlled by her, Ingrid Martin CPA Inc. The amount disclosed is for professional fees from the Chief Financial Officer and does not include the fees of her support staff.

Long Term Incentive Plan (LTIP) Awards

The Corporation does not have any long-term incentive plans and, except as disclosed above, no remuneration payments were made, directly or indirectly, by the Corporation to its Named Executive Officers during the year ended February 28, 2015.

An LTIP means “any plan providing compensation intended to serve as an incentive for performance to occur over a period longer than one fiscal year whether performance is measured by reference to financial performance of the Corporation or an affiliate or the price of the Common Shares but does not include option or stock appreciation rights plans or plans for compensation through restricted shares or units”.

Outstanding Share-Based Awards and Option-Based Awards

The Corporation does not currently have a share-based awards program.

The Corporation currently has in place a stock option plan for the purpose of attracting and motivating directors, officers, employees and consultants of the Corporation and advancing the interests of the Corporation by affording such persons with the opportunity to acquire an equity interest in the Corporation through rights granted under the plan to purchase shares of the Corporation.

The following table discloses the particulars of the option-based awards granted to the Named Executive Officers under the Corporation’s stock option plan as at February 28, 2015:

Name	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Normand Champigny	600,000	0.125	October 10, 2024	-
Ingrid Martin	200,000	0.125	October 10, 2024	-

Note:

1. “In-the-money options” means the excess of the market value of the Common Shares on February 28, 2015 (\$0.055) over the exercise price of the options.

There were no repricing of stock options under the stock option plan or otherwise during the Corporation’s completed financial year ended February 28, 2015.

Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year with respect to incentive plan awards granted to Named Executive Officers are as follows:

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Normand Champigny	-	-	-
Ingrid Martin	-	-	-

Note:

1. Calculated as the difference between the market price of the underlying securities on the date of vesting and the exercise price of the options on the vesting date. The options granted on October 10, 2014 to Normand Champigny and Ingrid Martin vested immediately and the closing price of the common shares was below the exercise price of the options and therefore the stock option had no current value.

There were no re-pricings of stock options under the stock option plan or otherwise during the Corporation's completed financial year ended February 28, 2015.

Pension Plan Benefits

The Corporation does not have any pension or retirement plan.

Termination and Change of Control Benefits

For additional information please refer to the section of this Circular entitled “*Compensation Discussion and Analysis - Normand Champigny Agreement*” and “*Compensation Discussion and Analysis - Ingrid Martin CPA inc. Agreement*”.

Termination of employment without cause

Name	Severance Payments	Total Estimated Payments (\$)
Normand Champigny	12 months	240,000 or 480,000 if the revenues of the Corporation are a minimum of \$100 million
Ingrid Martin	4 months	30,669

Termination of employment following a change of control

Name	Severance Payments	Total Estimated Payments (\$)
Normand Champigny	12 months	240,000
Ingrid Martin	4 months	30,669

Compensation of Directors

Director Compensation Table

Compensation for the Named Executive Officers who are also directors of the Corporation has been disclosed in the “Summary Compensation Table” above. For the financial year ended February 28, 2015, directors of the Corporation who were not executive officers were paid \$1,000 per month as fees for their roles as directors of the Corporation. The following table discloses the particulars of the compensation provided to the directors of the Corporation (not including the Named Executive Officers) for the financial year ended February 28, 2015 (such fees include fees paid to the directors for the participation as member of the special committee of the Board):

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
John W. W. Hick	5,000	-	11,000	-	-	-	16,000
David A. Johnson	12,000	-	8,250	-	-	-	20,250
Kerry E. Sparkes	12,000	-	8,250	-	-	-	20,250

Notes:

1. Concerning the 200,000 options granted to John W. W. Hick, 150,000 options granted to David A. Johnson and 150,000 options granted to Kerry E. Sparkes, the \$0.055 fair value per option was estimated using the Black-Scholes model with no expected dividend yield, an expected volatility of 100%, a risk-free interest rate of 2.21% and an expected life of options of six years.

Outstanding Share-Based Awards and Option-Based Awards

The following table discloses the particulars of the option-based awards granted to the directors (who are not Named Executive Officers) under the Corporation’s stock option plan as at February 28, 2015.

Name	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
John W. W. Hick	200,000	0.125	October 10, 2024	-
David A. Johnson	150,000	0.125	October 10, 2024	-
Kerry E. Sparkes	150,000	0.125	October 10, 2024	-

Note:

1. “In-the-money options” means the excess of the market value of the Common Shares on February 28, 2015 (\$0.055) over the exercise price of the options.

Incentive Plan Awards - Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to directors of the Corporation who are not Named Executive Officers are as follows:

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John W. W. Hick	-	-	-
David A. Johnson	-	-	-
Kerry E. Sparkes	-	-	-

Note:

1. Calculated as the difference between the market price of the underlying securities on the date of vesting and the exercise price of the options on the vesting date. The options granted on October 10, 2014 to the Directors vested immediately and the closing price of the common shares was below the exercise price of the options and therefore the stock option had no current value.

There were no re-pricings of stock options under the stock option plan or otherwise during the Corporation's completed financial year ended February 28, 2015.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of February 28, 2015, the Corporation's stock option plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Corporation's stock option plan as of February 28, 2015:

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 remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	1,525,000	\$0.125	18,000
Equity compensation plans not approved by security holders	-	-	-
Total	1,525,000	\$0.125	18,000

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Corporation, no informed person or proposed director of the Corporation, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries other than as set out herein. The term "**informed person**" as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means (a) a director or executive officer of the Corporation, (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation, and (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation.

MANAGEMENT CONTRACTS

Except as otherwise disclosed in this Circular, management functions of the Corporation are generally performed by directors and executive officers of the Corporation.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNIFICATION AGREEMENT

The Corporation maintains liability insurance for its directors and officers acting in their respective capacities. The policy contains standard industry exclusions, and no claims have been made thereunder to date. The premium is \$12,000 for coverage of up to \$5,000,000.

During the year ended February 28, 2015, indemnification agreements were concluded with the directors and officers. The Board has determined that the Corporation should act to assure the directors and officers of the Corporation are afforded reasonable protection through indemnification against certain risks arising out of service to, and activities on behalf of, the Corporation to the extent permitted by law.

AUDIT AND RISK MANAGEMENT COMMITTEE

Pursuant to corporate and securities laws, the Corporation is required to have an audit and risk management committee (the "ARMC") comprised of at least three directors, the majority of whom must not be officers or employees of the Corporation.

The Corporation must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* ("NI 52-110"), have a written charter which sets out the duties and responsibilities of the ARMC Committee. In providing the following disclosure, the Corporation is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

ARMC's Charter

Mandate

The primary function of the ARMC is to assist 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. Consistent with this function, the ARMC Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The ARMC's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Corporation's financial reporting and internal control systems and review the Corporation's financial statements;
- review and appraise the performance of the Corporation's external auditors; and
- provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.

Composition

The ARMC shall be comprised of at least three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the ARMC. At least one member of the ARMC should have accounting or related financial management expertise. All members of the ARMC that are not financially literate must work towards becoming financially literate within a reasonable period of time to obtain a working familiarity with basic finance and accounting practices. For the purposes of the ARMC's charter (the "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 ARMC shall be elected by the Board at its first meeting following the annual shareholders' meeting.

Meetings

The ARMC shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the ARMC 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 ARMC shall:

Documents/Reports Review

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

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the ARMC as representatives of the shareholders of the Corporation.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with the 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, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation 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 Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
- (g) 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.
- (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 Corporation's external auditors. The pre-approval 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 Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation 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 at the time of the engagement to be non-audit services; and

- (iii) such services are promptly brought to the attention of the ARMC by the Corporation and approved prior to the completion of the audit by the ARMC or by one or more members of the ARMC who are members of the Board to whom authority to grant such approvals has been delegated by the ARMC. Provided the pre-approval of the non-audit services is presented to the ARMC's first scheduled meeting following such approval, such authority may be delegated by the ARMC to one or more independent members of the ARMC.

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 auditors' 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 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 Corporation of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.

Composition of the ARMC

The following are the current members of the ARMC:

Normand Champigny	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾
John W. W. Hick (chair)	Independent ⁽¹⁾	Financially literate ⁽¹⁾
David A. Johnson	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Note:

- 1. As defined by NI 52-110.

Audit and Risk Management Committee Oversight

At no time since the commencement of the Corporation's most recent completed financial year was a recommendation of the ARMC 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 most recently completed financial year has the Corporation relied on the exemption in 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, other than the exemptions granted to venture issuers.

Pre-Approval Policies and Procedures

The ARMC has adopted specific policies and procedures for the engagement of non-audit services as described in the ARMC charter under the heading "External Auditors".

External Auditor Service Fees (By Category)

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

<u>Financial Year</u>	<u>Audit Fees</u>	<u>Audit Related Fees⁽¹⁾</u>	<u>Tax Fees⁽²⁾</u>	<u>All Other Fees⁽³⁾</u>
2015	\$58,903	\$-	\$15,534	\$47,250
2014	\$120,077	\$17,567	\$17,482	\$37,147

Notes:

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders and other stakeholders of the Corporation, 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 Corporation. National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. 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.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Corporation is required to disclose its corporate governance practices, as summarized below. The Board will monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors

The Board is currently composed of five directors, namely Normand Champigny, John W. W. Hick, David A. Johnson, Ingrid Martin and Kerry E. Sparkes. Five of the proposed nominees are currently directors of the Corporation.

NP 58-201 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as "independent" directors. An "independent" director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Corporation, other than interests and relationships arising from shareholding. Of the proposed nominees of the Corporation, Kerry E. Sparkes, David A. Johnson and John W. W. Hick are considered by the Board to be "independent" within the meaning of NI 58-101 and Normand Champigny and Ingrid Martin are management directors and accordingly are considered to be "non-independent".

Directorships

The following current directors of the Corporation are directors of other reporting issuers:

Director	Other Reporting Issuer(s)	Name of Exchange or Market (if applicable)
Normand Champigny	-	-
John W. W. Hick	Carpathian Gold Inc. Diamond Estates Wines & Spirits Inc. Eurotin Inc. Hudson Resources Inc. Marengo Mining Limited Algold Resources Ltd. St Andrew Goldfields Ltd. Samco Gold Limited	TSX TSX Venture TSX Venture TSX Venture TSX TSX Venture TSX TSX Venture
David A. Johnson	-	-
Ingrid Martin	-	-
Kerry E. Sparkes	Orla Mining Ltd.	TSX Venture

Orientation and Continuing Education

Each new director is given an outline of the nature of the Corporation's business, its corporate strategy, and current issues within the Corporation. New directors are also required to meet with management of the Corporation to discuss and better understand the Corporation's business and are given the opportunity to meet with counsel to the Corporation to discuss their legal obligations as directors of the Corporation.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Corporation as a whole. The Corporation continually reviews the latest securities rules and policies and is on the mailing list of the Exchange to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Corporation's directors either by way of director or committee meetings or by direct communications from management to the directors.

Ethical Business Conduct

The Board has adopted a written Code of Ethical Conduct (the "Code") for its directors, officers and employees. As one measure to ensure compliance with the Code, the Board has also established a Whistleblower Policy which details complaint procedure for financial concerns. The full text of these standards is available free of charge to any person upon request to the Corporation at 1, Place Ville-Marie, Suite 2001, Montréal, Québec, H3B 2C4 (Telephone: 514-286-1565).

In addition, as some of the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, the Board must comply 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 officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Corporation's management is continually in contact with individuals involved in the mineral exploration industry and public sector resource issuers. From these sources the Corporation has made numerous contacts and in the event that the Corporation were in a position to nominate any new directors, such individuals would be brought to the attention of the Board. The Corporation conducts the due diligence, reference and background checks on any suitable candidate. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve.

Compensation

The Compensation Committee has the responsibility for determining the compensation of the Corporation's President and Chief Executive Officer and does so with reference to industry standards and the Corporation's financial situation. The Compensation Committee has the responsibility for determining the compensation of the directors who currently are not compensated in their capacity as directors but do receive stock options.

Governance and Nominating Committee

Since October 2, 2014, the Corporation has a Governance and Nominating Committee. The Governance and Nominating Committee has no charter. Normand Champigny, David A. Johnson (chair) and Kerry E. Sparkes are members of the Governance and Nominating Committee.

The Governance and Nominating Committee has the mandate to monitor the implementation and management of such actions or measures, or of corporate policies and guidelines adopted by regulatory authorities or the board. It is also responsible for establishing practices which must be followed and should be in line with corporate governance rules and guidelines in effect from time to time by relevant authorities. The committee is also responsible for recommending to the board in the assessment of the nomination the performance of senior officers, of the board and its committees and of individual directors.

Committees

The Corporation currently has an ARMC, a Compensation Committee and a Governance and Nominating Committee.

Assessments

As the Corporation is a venture issuer with limited administration resources, the Board works closely with management and, accordingly, is in a position to assess individual director's performance on an ongoing basis.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

A. RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the fiscal year ended February 28, 2015 and the report of auditor thereon will be presented at the Meeting.

B. ELECTION OF DIRECTORS

Although Management is nominating six individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Each director of the Corporation is elected annually and holds office until the next annual general meeting of the Shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for each of the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Corporation, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of Common Shares which each beneficially owns, or over which control or direction is exercised, directly or indirectly, as of the date of this Circular:

Name and residence of proposed directors and present offices held with the Corporation	Date Elected or Appointed	Principal Occupation	Number of Common Shares⁽¹⁾
Normand Champigny ⁽²⁾⁽⁴⁾ Québec, Canada <i>President, Chief Executive Officer and Director</i>	October 17, 2012	President of the Corporation since April 2012, President and CFO of the Corporation from October 2012 to December 2013, and President and CEO since December 2013.	292,600
Dr. Michel Gauthier Québec, Canada <i>Director</i>	—	Geological engineer, President of Gardin Inc. Member of Advisory Committee of the Corporation since October 2014.	4,000,000 ⁽⁵⁾
John W. W. Hick ⁽²⁾⁽³⁾ Ontario, Canada <i>Director</i>	October 2, 2014	Corporate Director; President and CEO of John W. W. Hick Consultants Inc.	38,461
David A. Johnson ⁽²⁾⁽³⁾⁽⁴⁾ Québec, Canada <i>Director</i>	December 10, 2013	Lawyer; Corporate Secretary of Colt Resources Inc., a mining company, since December 2009 and Chief Legal Officer of Colt Resources Inc. since May 2010.	25,000
Ingrid Martin Québec, Canada <i>Chief Financial Officer, Director</i>	October 2, 2014	CPA, CA; CFO of the Corporation since April 30, 2014.	180,417
Kerry E. Sparkes ⁽³⁾⁽⁴⁾ Ontario, Canada <i>Director</i>	August 8, 2005	Geologist: Vice President, Geology, Franco Nevada Corporation.	60,000

Notes:

- Information as to Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
- Members of Audit and Risk Management Committee.
- Members of the Compensation Committee
- Members of the Governance & Nominating Committee
- Held by Amixam, a Corporation in which Michel Gauthier is a director and, through a management company, is a shareholder.

The proposed directors, as a group, beneficially own, directly or indirectly, or exercise direction or control over, 4,596,478 Common Shares, representing approximately 10.7% if the issued and outstanding Common Shares as at the Record Date.

Biographies

Normand Champigny

Mr. Champigny is a geological engineer with over 30 years' of experience in the mining industry and has been involved in many facets of the mining industry, including engineering, project evaluation, and project management. He has extensive experience with both public and private companies both domestically and internationally and has acted as a director, officer and audit and risk management committee member of junior public companies and non-profit organizations for several years. Prior thereto he held numerous senior positions with PricewaterhouseCoopers where he reviewed financial and technical information of mineral exploration and mining companies. Mr. Champigny is a graduate from École Polytechnique in Montréal (B.A.Sc), University of British Columbia (M.A.Sc) and Paris School of Mines (Specialized diploma in Geostatistics). He is a member of the Ordre des Ingénieurs du Québec. Mr. Champigny served as an Executive Committee Member of the Prospectors & Developers Association of Canada (PDAC), and Chair of the Board of Directors of Minalliance, an organization raising awareness of the mining industry in Québec.

Dr. Michel Gauthier

Dr. Michel Gauthier is a consultant and professor of mining exploration at Université du Québec à Montréal (UQAM). Mr. Gauthier, recently retired, has extensive knowledge of the mining sector in which he operates since 1970. Over time, Mr. Gauthier has been involved in the generation of mining projects in Canada and internationally. It is for this reason that in 2001 he co-baptized a gold prospect, named Éléonore, in the James Bay region of Quebec. From 1995 to 2014, he has acted as an advisor to the Fonds de solidarité FTQ mining portfolio. In the past, he has been, among other duties, a committee member of the mining sector of the Auditor General of Quebec and Advisory Committee of the Quebec Ministry of Energy and Resources-Mines and Vice-Chairman of the Board of Directors of SOQUEM. In addition, he was a visiting professor, notably at the University of Concepcion in Chile, the University of Brasilia in Brazil, the University of Western Australia and the University of Liege in Belgium. Mr. Gauthier holds an engineering degree and a Ph.D. in geological engineering from École Polytechnique de Montréal. He is a member of the Ordre des ingénieurs du Québec and Ordre des géologues du Québec. He is a Fellow of the Society of Economic Geologists.

John W. W. Hick

John W. W. Hick B.A., LL.B, has over 30 years' of experience in the mining industry in both senior management positions and as an independent director, during which he has spent the majority of his time based in Toronto, Canada. He is currently President and CEO of his own consulting company, John W. W. Hick Consultants Inc., and acts as an independent director of a number of TSX (or TSXV) listed companies. Previously, Mr. Hick has held either senior management and/or board positions with a number of publically listed Canadian mining companies, including Medoro Resources Ltd., Rio Narcea Gold Mines Ltd, Defiance Mining Corp., Geomaque Explorations Ltd., TVX Gold Inc., Rayrock Resources Inc. and Placer Dome Inc.

David A. Johnson

David A. Johnson has graduated from the Institute of Corporate Directors-Rotman School of Management Director's Education Program at the University of Toronto in April 2012 and was certified with an ICD.D designation in June 2012. Mr. Johnson also attended the Anti-Corruption & Bribery Compliance conference hosted by the Canadian Institute in January 2012. Mr. Johnson has graduated from the Business Leadership Program for In-House Counsel offered jointly by the Rotman School of Management at the University of Toronto and the Canadian Corporate Counsel Association and was certified with a Certified In-House Counsel (CIC.C) designation.

Ingrid Martin

Ingrid Martin has worked since 2004 with several mining and exploration organizations in Quebec and has considerable expertise in finance and business acquisitions. From 2001 to 2004, as Molson Canada Regional Accounting Director, she worked on financial reporting, tax compliance and budget process. From 1993 to 2001, she worked at Unisource Canada, Inc., a national single-source distributor, holding several accounting and operational positions. Ingrid Martin holds a Bachelor in Business Management from HEC Montréal, Québec. She is a member of the Ordre des comptables professionnels agréés du Québec since 1990 and started her career working four years as external auditor at Price Waterhouse.

Kerry E. Sparkes

Kerry E. Sparkes is a registered professional geologist and holds an M.Sc in Geology from Memorial University in Newfoundland. He has over 25 years' experience in the mineral exploration business as both an exploration geologist and executive. His career has included the exploration, delineation and development of 2 major Canadian deposits, both of which were the subject of takeovers. He has acted as a director, officer and audit committee member of junior companies and reviews financial information as part of his current professional activities.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Corporation acting solely in such capacity.

No proposed director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity,

- (i) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in all cases that was in effect for a period of more than 30 consecutive days (an “**Order**”); or
 - (ii) was the subject to an Order that was issued after the proposed 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;
- (b) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any 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 Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director 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.

with the following exceptions:

- (a) John W. W. Hick was, in 2008, a director and non-executive Chairman of the board of Tamaya Resources Limited (“**Tamaya**”), an Australian incorporated and Australian Stock Exchange (“**ASX**”) listed company, which made a Voluntary Appointment of an Administrator, Ernst & Young (Australia), as a result of becoming insolvent. The reasons for the insolvency are summarized in the Questionnaire and Report to the Administrators dated November 14, 2008, as filed with the ASX. As a result of the Voluntary Administration, effective upon the appointment of the Administrators on October 26, 2008, the appointed Administrators immediately assumed all legal powers, rights and obligations of the directors of Tamaya and the directors had no legal rights with respect to the administration or management of Tamaya or its assets.
- (b) Mr. Hick was also a director of Timminco Limited (“**Timminco**”) which was granted protection under the Companies Creditors Arrangement Act (“**CCAA**”) on January 3, 2012. As a result of the CCAA filing, the TSX delisted the company effective February 6, 2012. On August 17, 2012, with the approval of the judge overseeing the CCAA process, a professional receiver was appointed to manage the voluntary bankruptcy and winding up of Timminco and all of the directors resigned effective that date.

C. APPOINTMENT OF AUDITOR

Since November 13, 2012, PricewaterhouseCoopers LLP, Chartered Accountants (“**PwC**”) has been the auditor of the Corporation. Management recommends the appointment of PwC as the auditor of the Corporation to hold office until the next annual general meeting of the Shareholders at remuneration to be fixed by the directors of the Corporation, and the persons named in the enclosed form of proxy intend to vote in favour of such re-appointment.

D. AMENDMENT TO THE BY-LAWS OF THE CORPORATION

On May 12, 2015, the Board adopted the amended By-Laws.

The changes were done to:

- 1- Reflect the name change of the Corporation to Sphinx Resources Ltd adopted at the previous shareholder's meeting;
- 2- Incorporate the amendment relating to the appointment of directors adopted at the previous shareholder's meeting;
- 3- Incorporate the advance notice bylaw adopted at the previous shareholder's meeting;
- 4- Update the By-laws with certain housekeeping amendments to bring them to current standards.

Please refer to Appendix A disclosing the By-Laws as amended on May 12, 2015 and proposed to the shareholders for approval.

Shareholders will be asked to consider and if deemed appropriate, to pass, with or without variation, a resolution (the "**Resolution to Approve the By-Laws**"), in the form set forth below, subject to such amendments, variations or additions as may be approved at the Meeting, approving, ratifying and confirming the amendment to the By-Laws:

"BE IT RESOLVED AS A RESOLUTION OF THE SHAREHOLDERS THAT:

1. The amended By-laws, a copy of which is attached as Appendix A, be and is hereby approved, ratified and confirmed.
2. Any director or officer of the Corporation be and each of them is hereby authorized and directed, for and in the name of and on behalf of the Corporation, to execute and deliver or cause to be executed and delivered all documents, and to take any action, which, in such director's or officer's own discretion, is necessary or desirable to give effect to this resolution."

Accordingly, the Board unanimously recommends that the Shareholders vote IN FAVOUR of the Resolution to Approve the By-laws of the Corporation. The Resolution to Approve the By-Laws requires the approval of not less than a simple majority of the votes cast in order to be adopted.

Unless a Shareholder who has given a proxy has directed that its Common Shares be voted against the Resolution to Approve the By-Laws, the persons named in the accompanying form of proxy intend to vote IN FAVOUR of the Resolution to Approve the By-Laws.

OTHER MATTERS

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the instrument of proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com. The Corporation's annual audited financial statements and management discussion and analysis ("**MD&A**") for the fiscal year ended February 28, 2015 is available for review under the Corporation's profile on SEDAR. A copy of these financial statements and MD&A have also been mailed out to those Shareholders who returned the Corporation's Financial Statement Request Form provided with the Corporation's 2015 annual general meeting material, in accordance with National Instrument 51-102 *Continuous Disclosure Obligations*. Shareholders may contact the Corporation to request copies of the financial statements and MD&A by: (i) mail to Corporation at 1, Place Ville-Marie, Suite 2001, Montréal, Québec, H3B 2C4 (Telephone: 514-286-1565).

APPROVAL

The contents of this Circular and the sending thereof to the shareholders of the Corporation have been approved by the Board of Directors of the Corporation.

DATED at Montréal, Québec, the 22nd day of July 2015.

BY ORDER OF THE BOARD

(s) "Normand Champigny"

President and CEO

APPENDIX “A”

AMENDED BY-LAWS

BY-LAW NO. 1

A by-law relating generally to the transaction of the business and affairs of SPHINX RESOURCES LTD./ RESSOURCES SPHINX LTÉE, a corporation subject to the Canada Business Corporations Act.

Contents

1. Interpretation
2. Business of the Corporation
3. Borrowing and Securities
4. Directors
5. Committees
6. Officers
7. Protection of Directors, Officers and Others
8. Shares
9. Dividends and rights
10. Meetings of Shareholders
11. Divisions and Departments
12. Notices
13. Minutes, Documents & Records
14. Accounts

BE IT ENACTED as a by-law of the Corporation as follows:

Section One

Interpretation

1.01 Definitions - In the by-laws of the Corporation, unless the context otherwise requires:

“Act” means the Canada Business Corporations Act, and any statute that may be substituted therefor, as from time to time amended;

“appoint” includes “elect” and vice versa;

“articles” means the articles attached to the Corporation’s certificate of continuance dated January 25, 2013 as from time to time amended or restated;

“board” means the board of directors of the Corporation;

“by-laws” means this by-law and all other by-laws of the Corporation from time to time in force and effect;

“Corporation” means the corporation continued under the Act under number 841672-9 and named SPHINX RESOURCES LTD./ RESSOURCES SPHINX LTÉE;

“meeting of shareholders” means an annual meeting of shareholders and a special meeting of shareholders; and “special meeting of shareholders” means a special meeting of all shareholders entitled to vote at an annual meeting of shareholders;

“non-business day” means Saturday, Sunday and any other day that is a holiday as defined in the Interpretation Act (Canada);

“recorded address” means in the case of a shareholder his address as recorded in the securities register; and in the case of joint shareholders the address appearing in the securities register in respect of such joint holding or the first address so appearing if there are more than one; and in the case of a director, officer, auditor or member of a committee of the board, his latest address as recorded in the records of the Corporation; and

“signing officer” means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by section 2.04 or by a resolution passed pursuant thereto.

1.02 Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein.

1.03 Words importing the singular number shall be deemed to include the plural and vice versa; words importing gender shall be deemed to include the masculine, feminine and neuter genders; and words importing persons shall be deemed to include individuals, bodies corporate, partnerships, trust and unincorporated organizations.

Section Two

Business of the Corporation

2.01 Registered Office - Until changed in accordance with the Act, the registered office of the Corporation shall be at such location therein as the board may from time to time determine.

2.02 Corporate Seal - The board may determine the form, content and use of a corporate seal for the Corporation from time to time.

2.03 Financial Year - The financial year of the Corporation shall be as the board determines from time to time.

2.04 Execution of Instruments - Except as otherwise specified by a resolution of the board, deeds, transfers, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Corporation by one officer or director. In addition, the board may from time to time direct the manner in which the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

2.05 Certificates - A certificate issued on behalf of the Corporation stating any fact that is set out in the articles, the by-laws, the minutes of the meetings of the board, a committee of the board or the shareholders, or in a trust indenture or other contract to which the Corporation is a party may be signed by a director, an officer or a transfer agent of the Corporation. The Corporation may issue security certificates in the form adopted by the board as proof that the registered holder thereof is the owner of the securities described in the securities register or in the certificate.

2.06 Banking Arrangements - The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations as may from time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of powers as the board may from time to time prescribe or authorize.

2.07 Voting Rights in Other Bodies Corporate - The signing officers of the Corporation may execute and deliver proxies and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of voting certificates or such other evidence of the right to exercise such voting rights. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

2.08 Withholding Information from Shareholders - Subject to the provisions of the Act, no shareholder shall be entitled to discovery of any information respecting any details or conduct of the Corporation's business which, in the opinion of the board, would be prejudicial to the interests of the shareholders or the Corporation to communicate to the public. The board may from time to time determine whether and to what extent and at what time and place and under what conditions or regulations the accounts, records and documents of the Corporation or any of them shall be open to the inspection of shareholders and no shareholder shall have any right of inspecting any account, record or document of the Corporation except as conferred by the Act or authorized by the board or by resolution passed at a general meeting of shareholders.

Section Three

Borrowing and Securities

3.01 Borrowing Power - Without limiting the borrowing powers of the Corporation as set forth in the Act, the board may from time to time:

- (a) borrow money upon the credit of the Corporation;
- (b) issue, reissue, sell or pledge bonds, debentures, notes or other evidence of indebtedness or guarantee of the Corporation, whether secured or unsecured;
- (c) give a guarantee on behalf of the Corporation to secure performance of an obligation of another person; and
- (d) mortgage, hypothecate, pledge or otherwise create an interest in or charge upon all or any property (including the undertaking and rights) of the Corporation, owned or subsequently acquired, by way of mortgage, hypothec, pledge or otherwise, to secure payment of any such evidence of indebtedness or guarantee of the Corporation.

“Debt obligations” as used in this Paragraph mean bonds, debentures, notes or other evidences of indebtedness or guarantees of the Corporation, whether secured or unsecured.

Nothing in this section limits or restricts the borrowing of money by the Corporation on bills of exchange or promissory notes made, drawn, accepted or endorsed by or on behalf of the Corporation.

3.02 Delegation - The board may from time to time delegate to such one or more of the directors and officers of the Corporation as may be designated by the board all or any of the powers conferred on the board by section 3.01 or by the Act to such extent and in such manner as the board shall determine at the time of each such delegation.

3.03 Financial Assistance - For the purposes of the Act, the lending of money is in the ordinary course of the business of the Corporation and the Corporation may give financial assistance by means of a loan, guarantee or otherwise:

- (a) to any person in the ordinary course of business;
- (b) to any person on account of expenditures incurred or to be incurred on behalf of the Corporation;
- (c) to a parent company of the Corporation if the Corporation is wholly owned by such parent corporation;
- (d) to a subsidiary of the Corporation;
- (e) to employees of the Corporation or any of its affiliates:
 - (i) to enable or assist them to purchase or erect living accommodation for their own occupation, or
 - (ii) in accordance with a plan for the purchase of shares of the Corporation or any of its affiliates to be held by a trustee.

Section Four

Directors

4.01 Number of Directors - Subject to the articles of the Corporation, the business and affairs of the Corporation shall be managed or their management shall be supervised by a Board of Directors composed of the fixed number of directors set out in the articles of the Corporation. If the articles provide for a minimum and maximum number of directors, the Board of Directors shall be composed of such fixed number of directors within such limits as determined by resolution of the Board or, failing this, as the shareholders choose to elect within such limits.

4.02 Quorum - Subject to section 4.08, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the number of directors holding office at the time of such meeting, or such greater number of directors as the board may from time to time determine.

4.03 Qualification - No person shall be qualified for election as a director if he is less than 18 years of age; if he is of unsound mind and has been so found by a court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A director need not be a shareholder. At least 25% of the directors shall be resident Canadians. However, if the Corporation has fewer than 4 directors, at least one director must be resident Canadian.

4.04 Acceptance of Office – An individual who is elected or appointed to hold office as a director is not a director and is deemed not to have been elected or appointed to hold office as a director unless he was present at the meeting when the election or appointment took place and he did not refuse to hold office as a director; or he was not present at the meeting when the election or appointment took place and he consented in writing to hold office as a director, or he has acted as a director pursuant to his election or appointment.

4.05 De facto directors - The actions, act or deeds of the directors shall not be voidable because their appointment was irregularly made or because a Notice of Directors or of change of directors filed with the Director is incomplete, irregular or erroneous.

4.06 Election and Term - The election of directors shall take place at each annual meeting of shareholders and all the directors then in office shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting shall be the number of directors then in office unless the directors or the shareholders otherwise determine. Directors shall be elected on a show of hands unless a ballot is demanded or required under the Act. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.07 Removal of Directors - Subject to the provisions of the Act, the shareholders of the Corporation may by resolution passed at a special meeting of the shareholders of which notice specifying the intention to pass such resolution has been given, remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which such vacancy may be filled by a resolution of the directors then in office.

4.08 Vacation of Office - A director ceases to hold office when he dies; he is removed from office by the shareholders; he ceases to be qualified for election as a director; or his written resignation is sent or delivered to the Corporation, or if a time is specified in such resignation, at the time so specified, whichever is later.

4.09 Vacancies - Subject to the Act, a quorum of directors may fill a vacancy in the board, except a vacancy resulting from an increase in the minimum number of directors or from a failure of the shareholders to elect the minimum number of directors required by the articles. In the absence of a quorum of the board, or if the vacancy has arisen from a failure of the shareholders to elect the minimum number of directors required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are no such directors then in office, any shareholder may call the meeting.

4.10 Appointment of Directors – The directors may, if the articles of the Corporation so provide, appoint one or more additional directors, who shall hold office for a term expiring no later than the close of the next annual meeting of shareholders, but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders.

4.11 Action by the Board - The board shall manage the business and affairs of the Corporation. Subject to section 4.12, the powers of the board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board. Where there is a vacancy in the board, the remaining directors may exercise all the powers of the board so long as a quorum remains in office. Where the corporation has only one director, that director may constitute the meeting.

4.12 Resolution in Lieu of Meeting - A resolution in writing signed by each director shall be as valid and effectual as if it had been passed at a meeting of the board duly called and held and may be in one or more counterparts each signed by one or more directors which together shall be deemed to constitute one resolution in writing.

4.13 Meetings by Telephone - A director may participate in a meeting of the board or of a committee of the board by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a director participating in such a meeting by such means is deemed to be present at the meeting.

4.14 Place of Meetings - Meetings of the board may be held at any place in or outside Canada.

4.15 Calling of Meetings - Meetings of the board shall be held from time to time and at such time and place as the board, the chairman of the board, the chief executive officer, the president or any two directors may determine.

4.16 Notice of Meeting - Notice of the time and place of each meeting of the board shall be given in the manner provided in section 12.01 to each director not less than 48 hours before the time when the meeting is to be held. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including any proposal to:

- (a) submit to the shareholders any question or matter requiring their approval under the Act;
- (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
- (c) issue securities;
- (d) declare dividends;
- (e) purchase, redeem or otherwise acquire shares of the Corporation;
- (f) pay a commission for the issuance or sale of shares of the Corporation;
- (g) approve a management proxy circular;
- (h) approve a take-over bid circular, an issuer-bid circular or directors' circular;
- (i) approve any annual financial statements; or
- (j) adopt, amend or repeal by-laws.

A director may in any manner waive notice of or otherwise consent to a meeting of the board. Such consent may be given prior to, during or after a meeting; and may apply to one or more meetings.

In any case where it is considered by the Chairman of the board, the President or a Vice-President who is a director, in his discretion, to be a matter of urgency, notice of a meeting of the directors may be given by telephone or any other communication facility not less than 12 hours before such meeting is to be held and such notice shall be adequate for the meeting so convened. Any irregularity in the notice of an emergency meeting may also be waived by any director.

4.17 First Meeting of New Board - Provided a quorum of directors is present, each newly elected board may without notice hold its first meeting immediately following the meeting of shareholders at which such board is elected.

4.18 Adjourned Meeting - Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

4.19 Regular Meetings - The board may appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meeting shall be sent to each director forthwith after being passed, but no other notice shall be required for any such regular meeting except where the Act requires the purpose thereof or the business to be transacted thereat to be specified.

4.20 Chairman - The chairman of any meeting of the board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: chairman of the board, chief executive officer, president, or a vice-president who is a director. If no such officer is present, the directors present shall choose one of their number to be chairman.

4.21 Votes to Govern - At all meetings of the board every question shall be decided by a majority of the vote cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote.

4.22 Conflict of Interest - A director or officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by Section 120 of the Act, by either having the nature and extent of his conflict entered in the minutes of the meeting or by disclosing them in writing to the board. Any such contract or proposed contract shall then be referred to the board or shareholders for approval even if such contract is one that in the ordinary course of the Corporation's business would not require approval by the board or shareholders, and a director interested in a contract so referred to the board shall not vote on any resolution to approve the same unless the contract falls in the categories listed in subsection 120(5) of the Act. At the request of the Chairman of the meeting or any director, the interested director shall leave the meeting while the Board of Directors discusses and votes on the contract or transaction concerned.

Neither the Corporation nor any of its shareholders may contest the validity of a contract or transaction for which disclosure is required hereunder for such sole reason, provided such director or officer has disclosed his interest as aforementioned, the Board of Directors has approved the contract or transaction, and the contract or transaction was, at the time, reasonable and fair to the Corporation.

4.23 Remuneration and Expenses - The directors shall be paid such remuneration, if any, for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for reasonable travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

Section Five

Committees and Auditor

5.01 Committee of Directors - The board may appoint a committee of directors, however designated, and delegate to such committee any of the powers of the board except those which, under the Act, a committee of directors has not authority to exercise.

5.02 Transaction of Business - Subject to the provisions of section 4.13, the powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in or outside Canada.

5.03 Audit and Risk Management Committee - The board shall elect annually from among its number an Audit and Risk Management Committee to be composed of not less than 3 directors, of whom a majority shall not be officers or employees of the Corporation or its affiliates as long as the Corporation remains a distributing corporation. The Audit and Risk Management Committee shall have the powers and duties provided in the Act and as may be determined by the board from time-to-time.

5.04 Advisory Committees – Unless otherwise specifically constituted, board committees shall be advisory only, formed to make recommendations to the board.

5.05 Procedure - Unless otherwise determined by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chairman and to regulate its procedure. Each committee shall keep regular minutes of their transactions and shall report all such transactions to the board at its meeting next succeeding such action and all such transactions shall be subject to revision and alteration by the board.

5.06 Auditors Appointment and Term - Unless the appointment of auditors is dispensed with in accordance with the Act, the board shall appoint auditors to hold office until the next annual meeting of shareholders to hold office until the close of the next annual meeting, provided that if auditors are not appointed at a meeting of shareholders, the incumbent auditors continue in office until their successor is appointed.

5.07 Qualification - No auditing firm shall be qualified to be auditors if it is not independent of the Corporation, any of its affiliates, and the directors or officers of the Corporation and its affiliates, unless an order of a court of competent jurisdiction exempts him from such disqualification.

5.08 Remuneration - The remuneration of auditors may be fixed by ordinary resolution of the shareholders, or, if not so fixed, may be fixed by the board.

5.09 Vacation of Office - Auditors cease to hold office on the earliest of: the replacement by the Corporation; when they are no longer able to provide auditing services; they are removed from office by the shareholders; an order of a court of competent jurisdiction declares them to be disqualified in accordance with the Act and the office of auditors to be vacant; or their written resignation is sent or delivered to the Corporation; or if a time is specified in such resignation, at the time so specified, whichever is later.

5.10 Removal of Auditors - Subject to the provisions of the Act, the board may at any time determine to replace auditors; or the shareholders may by ordinary resolution passed at a special meeting remove auditors from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board who shall do so forthwith.

5.11 Vacancies - In the absence of a quorum of the board, the board shall, within 21 days after a vacancy in the office of auditors occurs, call a special meeting of shareholders to fill the vacancy. If the board fails to call such meeting or if there are not directors then in office, any shareholder may call the meeting.

Section Six

Officers

6.01 Appointment - The board may from time to time appoint a chief executive officer, president, chief financial officer, corporate secretary, and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Subject to sections 6.02 and 6.03, an officer may but need not be a director and one person may hold more than one office.

6.02 Chairman of the Board - The board may from time to time also appoint a chairman of the board who shall be a director. He shall, subject to the provisions of the Act, have such powers and duties as the board may specify. During the absence or disability of the chairman of the board, his duties shall be performed and his powers exercised by the chief executive officer, or by the president.

6.03 Powers and Duties of Officers - The powers and duties of all officers shall be such as the terms of their engagement call for or as the board or the chief executive officer may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the chief executive officer otherwise directs.

6.04 Variation of Powers and Duties - The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

6.05 Term of Office - The board, in its discretion, may remove any officer of the Corporation at any time, without prejudice to such officer's rights under any employment contract. Otherwise each officer appointed by the board shall hold office until his successor is appointed.

6.06 Terms of Employment and Remuneration - The terms of employment and the remuneration of officers appointed by the board shall be settled by it from time to time.

6.07 Conflict of Interest - An officer shall disclose his interest in any material contract or proposed material contract with the Corporation in accordance with section 4.22.

6.08 Agents and Attorneys - The board shall have the power to appoint from time to time agents or attorneys for the Corporation in or outside Canada with such powers of management or otherwise (including the power to sub-delegate) as may be thought fit.

6.09 Fidelity Bonds - The board may require such officers, employees and agents of the Corporation as the board deems advisable to furnish bonds for the faithful discharge of their powers and duties, in such form and with such surety as the board may from time to time determine.

Section Seven

Protection of Directors, Officers and others

7.01 Limitation of Liability - No director or officer shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same are occasioned by his own willful neglect or default; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.02 Indemnity - Subject to the limitations contained in the Act, the Corporation shall indemnify a director or officer, a former director or officer, or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor (or a person who undertakes or has undertaken any liability on behalf of the Corporation or any such body corporate) and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or such body corporate, if

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

7.03 Right to Indemnity - Notwithstanding anything in section 7.02, the Corporation shall indemnify any person referred to in section 7.02 who has been substantially successful in the defence of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or body corporate against all costs, charges and expenses reasonably incurred by him as they occur or are agreed in respect of such action or proceeding.

7.04 Insurance - Subject to the limitations contained in the Act, the Corporation may purchase and maintain such insurance for the benefit of its directors and officers as such, as the board may from time to time determine.

7.05 Reliance on Statements - The directors may rely upon the accuracy of financial statements of the Corporation represented by an officer of the Corporation or in a written report of the auditors of the Corporation fairly to reflect the financial condition of the Corporation; or a report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by him, and shall not be held liable for any loss or damage resulting from the paying of any dividends or otherwise acting in good faith upon any such statement or report.

Section Eight

Shares

8.01 Issuance of Shares – Subject to the provisions of the Act, shares in the capital of the Corporation may from time to time be issued by resolution of the Board on such terms and conditions and to such persons and for such consideration as the Board may determine.

8.02 Right to vote – Subject to the provisions of the Act, at any meeting of shareholders in respect of which the Corporation has prepared the list referred to in section 10.06 hereto, every person named in such list shall be entitled to vote the shares shown thereon opposite his name at the meeting to which the list relates.

8.03 Share Transfers - Subject to the articles, by-laws, and any voting trust or other written agreement, any shareholder may transfer his shares by instrument in writing executed by him or on his behalf and delivered to the Corporation or its transfer agent. The instrument of transfer or any shares of the Corporation shall be in the form, if any, on the reverse of the Corporation's form of share certificate, or in any form which the board may approve. The signature of the registered owner of any shares or of his duly authorized attorney upon the instrument of transfer constitutes an authority to the Corporation to register the shares specified in the instrument of transfer in the name of the person named in that instrument of transfer as transferee or, if no person is so named, then in any name designated in writing by the person depositing the share certificate and the instrument of transfer with the Corporation or its agent.

8.04 Registration of Transfer - Subject to the provisions of the Act, no transfer of shares shall be registered in a securities register except:

a) upon presentation of the certificate representing such shares with a transfer endorsed thereon or delivered therewith duly executed by the registered holder or by his attorney or successor duly appointed, together with such reasonable assurance or evidence of signature, identification and authority to transfer as the board may from time to time prescribe, upon payment of all applicable taxes and any fees prescribed by the board, upon compliance with such restrictions on transfer as are authorized by the articles of the Corporation and upon satisfaction of any lien referred to in section 8.06; or

b) upon presentation of documentation deemed adequate by the board to effect the transfer of shares, having regard to the manner in which shares of publicly-traded corporations are transferred.

8.05 Transfer Agents and Registrars - The board may from time to time appoint a registrar to maintain the securities register and a transfer agent to maintain the register of transfers and may also appoint one or more branch registrars to maintain branch securities registers of transfers. The board may at any time terminate any such appointment.

8.06 Lien for Indebtedness - If the articles provide that the Corporation shall have a lien on shares registered in the name of a shareholder indebted to the Corporation, such lien may be enforced, subject to any other provision of the articles, by the sale of the shares thereby affected or by any other action, suit, remedy or proceeding authorized or permitted by law or by equity and, pending such enforcement, may refuse to register a transfer of the whole or any part of such shares.

8.07 Non-recognition of Trusts - Subject to the provisions of the Act, the Corporation shall treat as absolute owner of any share the person in whose name the share is registered in the securities register as if that person had full legal capacity and authority to exercise all rights of ownership, irrespective of any indication to the contrary through knowledge or notice or description in the Corporations records or on the share certificate.

8.08 Share Certificates – Shares of the Corporation may be certificated or uncertificated. Every holder of one or more shares of the Corporation shall be entitled, at his option, to a share certificate, or to a non-transferable written acknowledgement of his right to obtain a share certificate, stating the number and class or series of shares held by him as shown on the securities register. Share certificates and acknowledgements of a shareholder's right to share certificate, respectively, shall be in such form as the board shall from time to time approve. Any share certificate shall be signed in accordance with section 2.04 and need not be under the corporate seal; provided that, unless the board otherwise determines, certificates representing shares in respect of which a transfer agent and/or registrar has been appointed shall not be valid unless countersigned by or on behalf of such transfer agent and/or registrar. The signature of one of the signing officers or, in the case of share certificates which are not valid unless countersigned by or on behalf of a transfer agent and/or registrar, the signatures of both signing officers, may be printed or mechanically reproduced in facsimile upon share certificates and every such facsimile signature shall for all purposes be deemed to be the signature of the officer whose signature it reproduces and shall be binding upon the Corporation. A share certificate executed as aforesaid shall be valid notwithstanding that one or both of the officers whose facsimile signature appears thereon no longer holds office at the date of issue of the certificate.

8.09 Defaced, Destroyed, Stolen or Lost Share Certificates - In the case of the defacement, destruction, theft or loss of a certificate for shares held by any shareholder, the fact of such defacement, destruction, theft or loss shall be reported to any officer of the Corporation or to a transfer agent or branch transfer agent of the Corporation, if any, with a statement verified by oath or statutory declaration as to the defacement, destruction, theft or loss and the circumstances concerning the same and with a request for the issuance of a new certificate to replace the one so defaced, destroyed, stolen or lost. Upon furnishing to the Corporation and the Corporation's transfer agent(s) and/or registrar(s) a bond of a surety company or other security approved by the Board, in a form approved by the Board or by the Corporate Secretary of the Corporation, indemnifying the Corporation (and the Corporation's transfer agent(s) and/or registrar(s), if any) against all loss, damage or expense to which the Corporation and/or the Corporation's transfer agent(s) and/or registrar(s) may be put or be liable for by reason of issuance of a new certificate to such shareholder, a new certificate may be issued in replacement of the one defaced, destroyed, stolen or lost if such issuance is ordered and authorized by the Chairman of the Board, the President or the Corporate Secretary of the Corporation or by resolution of the Board.

8.10 Joint Shareholders - If two or more persons are registered as joint holders of any share, the Corporation shall not be bound to issue more than one certificate in respect thereof, and delivery of such certificate to one of such persons shall be sufficient delivery to all of them. Any one of such persons may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such share.

8.11 Deceased Shareholders - In the event of the death of a holder or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends thereon except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

8.12 Transmissions - In the event any person becomes entitled to a share as a result of the bankruptcy of a holder or of one of the joint holders of any share or as a result of an order of a court of competent jurisdiction or otherwise by operation of law, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make payment of any dividends or other monies payable thereon or to issue any warrants or other rights in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents and the requirements of any voting trust or other written agreement.

Section Nine

Dividends and Rights

9.01 Dividends - Subject to the provisions of the Act and the articles of the Corporation, the board may from time to time declare dividends on the issued and outstanding shares of the Corporation payable to the shareholders according to their respective rights and interests in the Corporation. Dividends may be paid in money or property or by issuing fully paid shares of the Corporation.

9.02 Dividend Cheques - A dividend payable in cash shall be paid by cheque, direct deposit, funds transfer or such other means as the Corporation and its transfer agent may determine. Any cheque issued shall be drawn on the Corporation's bank to the order of each registered holder of shares of the class or series in respect of which it has been declared and mailed by prepaid ordinary mail to such registered holder at his recorded address, unless such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holder and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

9.03 Record Date for Dividends and Rights - The board may fix in advance a date, preceding by not more than 60 days the date for the payment of any dividend or the date for the issue of any warrant or other evidence of right to subscribe for securities of the Corporation, as a record date for the determination of the persons entitled to receive payment of such dividend or to exercise the right to subscribe for such securities, provided that notice of any such record date is given, not less than 7 days before such record date, in the manner provided in the Act. Where no record date is fixed in advance as aforesaid, the record date for the determination of the persons entitled to receive payment of any dividend or to exercise the right to subscribe for securities of the Corporation shall be at the close of business on the day on which the resolution relating to such dividend or right to subscribe is passed by the board.

9.04 Unclaimed Dividends - Any dividend unclaimed after a period of 6 years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

9.05 Capital Dividends - The board may from time to time capitalize any undistributed surplus on hand of the Corporation and may from time to time issue as fully paid any unissued shares or any bonds, debentures or other debt obligations of the Corporation as a dividend representing such undistributed surplus on hand or any part of it.

9.06 Reserve Fund - The board may, from time to time, set aside such sums as it may consider advisable as a reserve or reserves which shall, in the absolute discretion of the directors, be applicable for any purpose deemed to be in the best interests of the Corporation. The board may, from time to time, in its discretion, increase, reduce or abolish any reserve fund in whole or in part and may transfer the whole or any part of the reserve fund to surplus.

Section Ten

Meetings of Shareholders

10.01 Annual Meetings - The annual meeting of shareholders shall be held at such time in each year and, subject to section 10.03, at such place as the board, the chairman of the board, the chief executive officer or the president may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

10.02 Special Meetings - The board, the chairman of the board, the chief executive officer or the president shall have power to call a special meeting of shareholders at any time.

10.03 Place of Meetings - Meetings of shareholders shall be held at the registered office of the Corporation or elsewhere in the municipality in which the registered office is situated or, if the board shall so determine, at some other place in Canada or, if all the shareholders entitled to vote at the meeting so agree, at some place outside Canada.

10.04 Written Consent in Place of Meeting - Except as provided by the Act, if all shareholders entitled to attend and vote at a meeting of the Corporation have either been sent by the Corporation a copy of the financial statements and reports required by the Act to be placed before the meeting or informed the Corporation in writing that they do not want a copy of those documents and consent in writing to the business required to be transacted at the meeting, that business shall be as valid as if transacted at a meeting duly convened and held.

10.05 Notice of Meetings - Notice of the time and place of each meeting of shareholders shall be given in the manner provided in section 12.01 not less than 30 nor more than 60 days before the date of the meeting to each director, to the auditor and to each shareholder who at the close of business on the record date for notice, if any, is entered in the securities register as the holder of one or more shares carrying the right to vote at the meeting. Notice of a meeting of shareholders called for any purpose other than the consideration of the financial statements and auditors report, the election of directors and the reappointment of the incumbent auditor shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A shareholder may in any manner waive notice of or otherwise consent to a meeting of shareholders. Attendance of a shareholder at a meeting of shareholders shall be deemed to constitute a waiver of notice of such meeting except where a shareholder attends such meeting for the express purpose of objecting to the transaction of any business thereat on the ground that the meeting is not lawfully called.

Irregularities in a notice or in the giving thereof, as well as the accidental omission to give notice of any meeting to or the non-receipt of any such notice by any shareholder or shareholders, a director or the auditor of the Corporation, shall not invalidate any resolution passed or any proceedings taken at any such meeting. A certificate of the Corporate Secretary or of any duly authorized officer of the Corporation or of any transfer agent or registrar of the Corporation, with respect to the mailing of any notice, shall be conclusive evidence thereof and shall be binding on every director and shareholder of the Corporation.

10.06 List of Shareholders Entitled to Notice - For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares entitled to vote at the meeting held by each shareholder. If a record date for the meeting is fixed pursuant to section 10.07, the shareholders listed shall be those registered at the close of business on a day not later than 10 days after such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, the day on which the meeting is held. The list of shareholders shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the securities register is kept and at the place where the meeting is held.

10.07 Record Date for Notice - The board may fix in advance a record date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, for the determination of the shareholders entitled to notice of the meeting, provided that notice of any such record date is given, not less than 25 days before such record date, in the manner provided in the Act. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be the close of business on the day immediately preceding the day on which the notice is given.

10.08 Meetings Without Notice - A meeting of shareholders may be held without notice at any time and place permitted by the Act:

(a) if all the shareholders entitled to vote thereat are present in person or represented by proxy or if those not present or represented by proxy waive notice of or otherwise consent to such meeting being held; and

(b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held.

At such meeting any business may be transacted which the Corporation at a meeting of shareholders may transact. If the meeting is held at a place outside Canada, shareholders not present or represented by proxy, but who have waived notice of or otherwise consented to such meeting, shall also be deemed to have consented to the meeting being held at such place.

10.09 Chairman, Corporate Secretary and Scrutineers - The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: chairman of the board, chief executive officer, president, or a vice-president who is a shareholder. Such officer may delegate the duties and responsibilities of chairman of such meeting to the Corporation's solicitor. If no such officer is present within 15 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number or the Corporation's solicitor to be chairman. If the corporate secretary is absent, the chairman shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by the chairman.

10.10 Persons Entitled to be Present - The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chairman of the meeting or with the consent of the meeting.

10.11 Meetings by Telephone - A shareholder, or other person entitled to attend a meeting of shareholders, may participate in a shareholders' meeting by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a person participating in such a meeting by such means is deemed to be present at the meeting and to form part of the quorum thereof.

10.12 Quorum - A quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote thereat or a duly appointed proxyholder for an absent shareholder so entitled, and together holding or representing by proxy not less than 5% of the issued and outstanding shares of the Corporation entitled to vote at the meeting. If the Corporation has only one shareholder, quorum shall be one person present and being, or representing by proxy, such shareholder. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented by proxy may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting. If a quorum is not present within 30 minutes from the time set for any meeting of shareholders:

(i) in the case of a meeting requisitioned by shareholders, the meeting is dissolved; or

(ii) in the case of any other meeting, the shareholders present or represented by proxy may adjourn the meeting to a fixed time and place but may not transact any other business.

10.13 Right to Vote - Subject to the provisions of the Act as to authorized representatives of any other body corporate and otherwise, the persons entitled to vote at any meeting of shareholders shall be as follows:

(a) at a meeting in respect of which the Corporation has prepared the list referred to in section 10.06, every person who is named in such list shall be entitled to vote the shares shown thereon opposite his name, except, where the corporation has fixed a record date for notice in respect of such meeting pursuant to section 10.07, to the extent that such person has transferred any of his shares after such record date and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he owns such shares, demands, not later than 10 days before the meeting, that his name be included in such list before the meeting, in which case the transferee is entitled to vote the transferred shares at the meeting; or

(b) in the absence of a list prepared as aforesaid in respect of a meeting of shareholders, every person shall be entitled to vote at the meeting who at the time is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

10.14 Proxies - Every shareholder entitled to vote at a meeting of shareholders may appoint a proxyholder, or one or more alternate proxyholders, who need not be shareholders of the Corporation, to attend and act at the meeting in the manner and to the extent authorized and with the authority conferred by the proxy. A proxy shall be in writing executed by the shareholder or his attorney and shall conform with the requirements of the Act.

10.15 Time for Deposit of Proxies - The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than 48 hours exclusive of non-business days, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if, prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time is specified in such notice, unless it has been received by the corporate secretary or by the chairman of the meeting or any adjournment thereof prior to the time of voting.

10.16 Joint Shareholders - If two or more persons hold shares jointly, any one of them present in person or represented by proxy at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented by proxy and vote, they shall vote as one on the shares jointly held by them.

10.17 Resolutions - No resolution proposed at a meeting need be seconded. The chairman of any meeting may move a resolution.

10.18 Votes to Govern - At any meeting of shareholders every question shall, unless otherwise required by the Act, the articles or the by-laws of the Corporation, be determined by the majority of the votes cast on the question.

10.19 Show of Hands - Subject to the provisions of the Act, any question at a meeting of shareholders shall be decided by a show of hands unless a ballot thereon is required or demanded as hereinafter provided. Upon a show of hands every person who is present and entitled to vote shall have one vote. Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the shareholders upon the said question.

10.20 Ballots - On any question proposed for consideration at a meeting of shareholders, and whether or not a show of hands has been taken thereon, any shareholder or proxyholder entitled to vote at the meeting may require or demand a ballot. A ballot so required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares which he is entitled to vote at the meeting upon the question, so that number of votes provided by the Act or the articles, and the result of the ballot so taken shall be the decision of the shareholders upon the said question.

10.21 Adjournment – The chairman of a meeting of shareholders may, with the consent of the meeting, adjourn the meeting. If a meeting of shareholders is adjourned for less than 30 days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the earliest meeting that is adjourned. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting shall be given as for an original meeting.

10.22 Rulings by Chairman – The chairman of a meeting of shareholders will have regard to common rules of order, and:

(i) the chairman will have absolute authority over matters of procedure and there will be no appeal from the ruling of the chairman. The chairman may, in his discretion, dispense with the common rules of order but must advise the meeting of the new rules under which the meeting or part thereof will be conducted;

(ii) a dispute as to the admission or rejection of a vote will be determined by the chairman, and his determination will be final and conclusive;

(iii) if disorder arises that prevents continuation of the business of a meeting, the chairman may quit the chair and declare the meeting to be adjourned, and upon the chairman so doing, the meeting is, notwithstanding section 10.21, immediately adjourned to a time and place announced by the chairman at the time of adjournment or such other time and place described in a notice given not less than seven days before the reconvened meeting to all person who received notice of the original meeting; and

(iv) subject to section 10.10, the chairman may ask or require anyone who is not a registered shareholder entitled to vote at the meeting or a corporate representative or proxyholder representing such a shareholder to leave the meeting.

10.23 Only One Shareholder - Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting.

10.24 Requisition of Meeting - The holders of not less than five percent of the issued voting shares may, in the manner provided by the Act, requisition the board to call a meeting of shareholders for the purposes stated in the requisition, and upon receiving the requisition the board shall, except as provided by the Act, call a meeting of shareholders to transact the business stated therein. If the board does not call a meeting within 21 days after receiving the requisition, any requisitioning shareholder may call the meeting and unless the shareholders resolve otherwise at that meeting, the Corporation shall reimburse such requisitioning shareholders the reasonable expenses incurred in requisitioning, calling and holding the meeting.

Section Eleven

Divisions and Departments

11.01 Creation and Consolidation of Divisions - The board may cause the business and operations of the Corporation or any part thereof to be divided or to be segregated into one or more divisions upon such basis, including without limitation, character or type of operation, geographical territory, product manufactured or service rendered, as the board may consider appropriate in each case. The board may also cause the business and operations of any such division to be further divided into sub-units and the business and operations of any such divisions or sub-units to be consolidated upon such basis as the board may consider appropriate in each case.

11.02 Name of Divisions - Any division or its sub-units may be designated by such name as the board may from time to time determine and may transact business, enter into contracts, sign cheques and other documents of any kind and do all acts and things under such name. Any such contract, cheque or document shall be binding upon the Corporation as if it had been entered into or signed in the name of the Corporation.

11.03 Officers of Divisions - From time to time the board or, if authorized by the board, the chief executive officer, may appoint one or more officers for any division, prescribe their powers and duties and settle their terms of employment and remuneration. The board or, if authorized by the board, the chief executive officer, may remove at its or his pleasure any officer so appointed, without prejudice to such officers rights under any employment contract. Officers of divisions or their sub-units shall not, as such, be officers of the Corporation.

Section Twelve

Notices

12.01 Method of Giving Notices - Any notice (which term includes any communication or document) to be given (which term includes sent, delivered or served) pursuant to the Act, the regulations thereunder, the articles, the by-laws of the Corporation or otherwise to a shareholder, director, officer, auditor or member of a committee of the board shall be sufficiently given if delivered personally to the person to whom it is to be given or if delivered to his recorded address or if mailed to him at his recorded address by prepaid ordinary or air mail or if sent to him at his recorded address by any means of prepaid transmitted or recorded communication. A notice so delivered shall be deemed to have been given when it is delivered personally or to the recorded address as aforesaid; a notice so mailed shall be deemed to have been given when deposited in a post office or public letter box; and a notice so sent by any means of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency or its representative for dispatch. The corporate secretary may change or cause to be changed the recorded address of any shareholder, director, officer, auditor or member of a committee of the board in accordance with any information believed by him to be reliable.

12.02 Notice to Joint Shareholders - If two or more persons are registered as joint holders of any share, any notice shall be addressed to all of such joint holders but notice to one of such persons shall be sufficient notice to all of them.

12.03 Computation of Time - In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event, the date of giving the notice shall be excluded and the date of the meeting or other event shall be included.

12.04 Undelivered Notices - If any notice given to a shareholder pursuant to section 12.01 is returned on three consecutive occasions because he cannot be found, the Corporation shall not be required to give any further notices to such shareholder until he informs the Corporation in writing of his new address.

12.05 Omissions and Errors - The accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

12.06 Persons Entitled by Death or Operation of Law - Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholder from whom he derives his title to such share prior to his name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he became so entitled) and prior to his furnishing to the Corporation the proof of authority or evidence of his entitlement prescribed by the Act.

12.07 Waiver of Notice - Any shareholder (or his duly appointed proxyholder), director, auditor or member of a committee of the board may at any time waive any notice, or waive or abridge the time for any notice, required to be given to him under any provision of the Act, the regulations thereunder, the articles, the by-laws of the Corporation or otherwise and such waiver or abridgement shall cure any default in the giving or in the time of such notice, as the case may be. Any such waiver or abridgement shall be in writing except a waiver of notice of a meeting of shareholders or of the board which may be given in any manner.

Section Thirteen

Minutes, Documents & Records

13.01 Minutes - The board shall cause minutes to be kept:

- (a) of all appointments of directors, officers and auditors;
- (b) of the names of the directors or their alternates present at each meeting of the board and of any committee of the board;
- (c) of all orders made by the board or any committee of the board; and
- (d) of all resolutions and proceedings of general meetings of the shareholders of the Corporation and of all resolutions and meetings of the board and of committees of the board.

13.02 Records and Documents - The board shall cause the Corporation to keep at its registered office or at any such other place as the Act may permit, and in such form as the Act may permit, the documents, copies of documents, registers, minutes and records which the Corporation is required by the Act to keep at its registered office or such other place and shall cause such documents, copies of documents, registers, minutes and records to be open for examination and copying as permitted and required by the Act.

Section Fourteen

Accounts

14.01 Books of Account - The board shall cause records and books of account to be kept as necessary to properly record the financial affairs and conditions of the Corporation and to comply with all laws applicable to the Corporation.

14.02 Location of Accounting Records - The board shall determine the place at which the accounting records of the Corporation shall be kept and those records shall be open to the inspection of any director or the auditors of the Corporation during the normal business hours of the Corporation.

Section Fifteen

Repeal of former by-laws

15.01 Repeal of former By-law – The board may repeal one or more by-laws by passing a by-law that contains provisions to that effect and shall submit the same to the shareholders at the next meeting of shareholders, the whole in accordance with the provisions of the Act.

15.02 Coming into Force – By-law No 1 of the Corporation, enacted January 25, 2013 is repealed and replaced with these by-laws. This by-law shall come into force when it has been enacted by the board of directors of the Corporation.

15.03 Effect of Repeal of By-law – The repeal of any by-law in whole or part shall not in any way affect the validity of any act done or right, privilege, obligation or liability acquired or incurred thereunder prior to such repeal. All directors, officers and other persons acting under any bylaw repealed in whole or part shall continue to act as if elected or appointed under the provisions of this by-law.

ENACTED this 12th day of May 2015

ADVANCE NOTICE BY-LAW
BY-LAW NO. 2014-1

A BY-LAW RELATING GENERALLY TO THE ADVANCE NOTICE REQUIREMENTS FOR THE
NOMINATION OF DIRECTORS OF SPHINX RESOURCES LTD.

(the “Corporation”)

INTRODUCTION

The purpose of this advance notice by-law (the “Advance Notice By-Law”) is to establish the conditions and framework under which holders of record of common shares of the Corporation may exercise their right to submit director nominations by fixing a deadline by which such nominations must be submitted by a shareholder to the Corporation prior to any annual or special meeting of shareholders, and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper form.

It is the position of the Corporation that this Advance Notice By-Law is beneficial to shareholders and other stakeholders of the Corporation.

NOMINATIONS OF DIRECTORS

1. Subject only to the Canada Business Corporations Act (the “Act”) and the articles, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the “Board”) may be made at any annual meeting of shareholders or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors. Such nominations may be made in the following manner:

a. by or at the direction of the Board, including pursuant to a notice of meeting;

b. by or at the direction or request of one or more shareholders of the Corporation pursuant to a proposal made in accordance with the provisions of the Act, or a requisition of meeting of the shareholders of the Corporation made in accordance with the provisions of the Act; or

c. by any person (a “Nominating Shareholder”): (A) who, at the close of business on the date of the giving of the notice provided below in this Advance Notice By-Law and on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Advance Notice By-Law.

2. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the principal executive offices of the Corporation.

3. To be timely, a Nominating Shareholder’s notice to the Corporate Secretary of the Corporation must be made:

a. in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement (the “Notice Date”) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and

b. in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

c. In no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.

4. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth:

a. as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and

b. as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed director nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed director nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder of the Corporation's understanding of the independence, or lack thereof, of such proposed director nominee.

5. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Advance Notice By-Law; provided, however, that nothing in this Advance Notice By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of the Corporation of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

6. For purposes of this Advance Notice By-Law:

a. "public announcement" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and

b. "Applicable Securities Laws" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.

7. Notwithstanding any other provision of this Advance Notice By-Law, notice given to the Corporate Secretary of the Corporation may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the aforesaid address) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary of the Corporation at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Montréal time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Advance Notice By-Law.

Adopted by the Board on September 8, 2014.
