



NOTICE OF ANNUAL GENERAL MEETING

AND

MANAGEMENT PROXY CIRCULAR

FOR THE

ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD

TUESDAY, NOVEMBER 7, 2017

10:00 A.M. (PACIFIC)

SUITE 1305, 1090 WEST GEORGIA STREET

VANCOUVER, BRITISH COLUMBIA

ALTAIR RESOURCES INC.

Notice of Annual General Meeting of Shareholders

TAKE NOTICE that an Annual General Meeting (the “**Meeting**”) of the Shareholders of Altair Resources Inc. (the “**Corporation**”) will be held at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia on Tuesday, November 7, 2017 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the years ended March 31, 2017 and 2016, and the reports of the auditors thereon;
2. to fix the number of directors for the ensuing year at four (4);
3. to elect four (4) directors for the ensuing year;
4. to appoint the auditor for the Corporation for the ensuing year at a remuneration to be fixed by the directors; and
5. to consider and, if thought fit, to pass an ordinary resolution to approve the ratification of the Corporation’s stock option plan, as more particularly described in the Corporation’s Management Proxy Circular attached hereto.

Accompanying this Notice of Meeting are a Management Proxy Circular, an Instrument of Proxy (or a voting instruction form if you hold common shares through a broker or other intermediary) and a Financial Statement Request Form. The accompanying Management Proxy Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice of Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy. If you are a registered shareholder of the Corporation and are unable to attend the Meeting in person, please complete, date and execute the accompanying form of proxy and deposit it with Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Fax: 866-249-7775, email: caregistryinfo@computershare.com, or by following the procedure for telephone or internet voting provided in the accompanying form of proxy, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting, or with the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting, or any adjournment(s) or postponement(s) thereof.

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

Only holders of common shares of record at the close of business on September 29, 2017 will be entitled to vote at the Meeting.

DATED at Vancouver, British Columbia this 29th day of September, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

“Harold (Roy) Shipes”

(signed) President and CEO

ALTAIR RESOURCES INC.
Suite 1305–1090 West Georgia Street
Vancouver, British Columbia
V6E 3V7

MANAGEMENT PROXY CIRCULAR
(as at September 29, 2017 unless otherwise specified)

SOLICITATION OF PROXIES

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Altair Resources Inc. (the “**Corporation**”) for use at the Annual General Meeting of Shareholders of the Corporation (and any adjournment(s) or postponement(s) thereof) (the “**Meeting**”) to be held on Tuesday, November 7, 2017 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Corporation at nominal cost, or by outside parties. All costs of solicitation by management will be borne by the Corporation.

The contents and the sending of this Management Proxy Circular have been approved by the directors of the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The individuals named in the accompanying form of proxy are directors or officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT THE SHAREHOLDER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc., of 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 by mail, fax or by following the procedure for telephone or internet voting provided in the accompanying form of proxy not less than 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time for holding the Meeting or any adjournment(s) or postponement(s) thereof or to the Chairperson of the Meeting on the day of the Meeting, prior to the commencement of the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered office of the Corporation at Suite 910, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting, prior to the commencement of the Meeting or, if adjourned or postponed, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) are advised that only proxies from shareholders of record can be recognized and voted at the Meeting. Beneficial Shareholders who complete and return an instrument of proxy must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder. Every intermediary (broker) has its own mailing procedure, and provides its own return instructions, which should be carefully followed. The instrument of proxy supplied to Beneficial Shareholders is identical to that provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder.

If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in such shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee and custodian for many Canadian brokerage firms).

Common shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Corporation do not know for whose benefit the common shares registered in the name of CDS & Co. are held.

In accordance with National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Management Proxy Circular and the proxy to the clearing agencies and intermediaries for onward distribution to non-registered shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive Meeting materials. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Corporation to the registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on behalf of the Beneficial Shareholder should a non-registered shareholder receiving such a form wish to vote at the Meeting, the non-registered shareholder should strike out the names of the management proxyholders named in the form and insert the non-registered shareholder's name in the blank provided. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote common shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted. All references to shareholders in this Management Proxy Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

The Corporation will not pay for intermediaries to deliver the Notice of Meeting, Management Proxy Circular and voting instruction form to objecting Beneficial Shareholders, and objecting Beneficial Shareholders will not receive the Meeting materials unless their intermediary assumes the cost of the delivery.

VOTING OF PROXIES

IN THE ABSENCE OF ANY DIRECTION IN THE FORM OF PROXY, IT IS INTENDED IF MANAGEMENT'S PROXYHOLDERS ARE SELECTED THAT SUCH SHARES WILL BE VOTED IN FAVOUR OF THE MOTIONS PROPOSED TO BE MADE AT THE MEETING AS STATED UNDER THE HEADINGS IN THIS MANAGEMENT PROXY CIRCULAR.

The shares represented by proxies will, on any poll where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made.

SUCH SHARES WILL ON A POLL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting

or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgement on such matters or business. At the time of the printing of this Management Proxy Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Authorized Capital: Unlimited number of common shares without par value

Issued and Outstanding: 49,861,501 common shares without par value⁽¹⁾

(1) As at September 29, 2017.

Only shareholders of record at the close of business on September 29, 2017, (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his or her name on the list of shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. and will be available at the Meeting.

To approve a motion for an ordinary resolution, a simple majority of the votes cast in person or by proxy will be required; to approve a motion for a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy will be required.

To the knowledge of the directors and senior officers of the Corporation, no persons or companies beneficially own, directly or indirectly or exercise control or direction over shares carrying 10% or more of the voting rights attached to the outstanding shares of the Corporation.

ELECTION OF DIRECTORS

The Board presently consists of five (5) directors. The term of office of each of the present directors expires at the Meeting. It is proposed that the number of directors to be elected at the Meeting for the ensuing year be fixed at four (4). At the Meeting, the shareholders of the Corporation will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at four (4).

Pursuant to the Advance Notice Policy adopted by the Board on June 25, 2013, which was ratified and confirmed by shareholders at the annual meeting of shareholders held on September 5, 2013 and is filed on SEDAR under the Corporation’s profile at www.sedar.com, any additional director nominations for the Meeting must have been received by the Corporation, in compliance with the Advance Notice Policy, during the period from September 3, 2017 to October 8, 2017, inclusive. No additional director nominations were received by the Corporation.

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

The following table sets out the names of management’s nominees for election as directors, the place in which each is ordinarily resident, all offices of the Corporation now held by each of them, their principal occupations, or employment during the past five years if such nominee is not presently an elected director, the period of time during which each has been a director of the Corporation, and the number of common shares of the Corporation

beneficially owned by each of them, directly or indirectly, or over which control or direction is exercised, as of the date of this Management Proxy Circular.

Name, Province or State, Country of Residence, Position(s) Held with the Corporation ⁽¹⁾	Principal Occupation and, if not at Present an Elected Director, Employment for Last Five Years ⁽¹⁾	Date(s) Served as a Director	Number of Common Shares ⁽¹⁾
Harold (Roy) Shipes Tucson, Arizona <i>President, Chief Executive Officer and Director</i>	President and Chief Executive Officer of the Corporation since October 12, 2016; President and Chief Executive Officer of Atlas Precious Metals Inc. from 2003 to present.	October 12, 2016	350,000
Dr. Aylin Cecen Aksu ^{(2) (3)} Cigli, Isimir, Turkey <i>Director</i>	Mining consultant and advisor to several Canadian and Chinese mining companies.	May 1, 2016	Nil
Bruce Reid ⁽²⁾ Toronto, Ontario <i>Director</i>	President and Chief Executive Officer of SGX Resources Inc. (since January 2017) and Liberty Silver Corp. (since May 2017). Currently a director and/or officer of several other public companies. Served as Executive Chairman of Carlisle Goldfields Limited (2014 to 2016) and President and Chief Executive Officer (2009-2014).	November 29, 2016	Nil
Jeffrey Steiner Toronto, Ontario <i>Director</i>	Mr. Steiner is a senior executive, board director and lawyer involved in real estate, the film & TV industry, the mining sector and early-stage angel investment. President and CEO of New Franchise Media Inc. (since 2010). Member of the Board of Export Development Canada and Co-Chair of joint Canada-UAE Business Council (since 2011).	May 29, 2017	Nil

NOTES:

- (1) The information as to province or state and country of residence, principal occupation and number of shares beneficially owned or over which a nominee exercises direct or indirect control or direction, is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Denotes member of Audit Committee.
- (3) Denotes member of Compensation Committee.

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

Corporate Cease Trade Orders and Bankruptcies

Other than is disclosed below, no proposed director of the Corporation is, as at the date of this Management Proxy Circular, or was within 10 years before the date of this Management Proxy Circular, a director, chief executive officer or chief financial officer of any corporation (including the Corporation), that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or

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

No proposed director of the Corporation:

- (a) is, as at the date of this Management Proxy Circular, or has been within the 10 years before the date of this Management Proxy Circular, a director or executive officer of any corporation (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 years before the date of this Management Proxy 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 director.

No proposed director of the Corporation has been subject to:

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

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

AUDIT COMMITTEE

Pursuant to section 224 of the BCBCA, the Corporation is required to have an audit committee composed of not less than three directors of the Corporation, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

The Corporation must also, pursuant to the provisions of National Instrument 52-110 - Audit Committees (“**NI 52-110**”), provide the following information regarding its audit committee (the “**Audit Committee**”) to its shareholders in this Management Proxy Circular.

Audit Committee Charter

The Corporation has a written charter (the “**Audit Committee Charter**”) which sets out the duties and responsibilities of the Audit Committee. The text of the Audit Committee Charter is attached as Schedule “A”.

Composition of the Audit Committee

At the present time, the Corporation’s Audit Committee is composed of Robert Naso (independent and financially literate), Aylin Cecen Aksu (independent and financially literate) and Bruce Reid (independent and financially literate). Nick DeMare, interim CFO, is an advisor to the Audit Committee.

Relevant Education and Experience

Robert Naso

Mr. Naso is a businessman that has been involved in the mining sector for the past 8 years and has experience in construction, day to day operations, project management, contract negotiation and consulting. Mr. Naso brings several years' experience in senior management in the mining sector and negotiating with foreign governments successfully in winning tenders in this sector.

Aylin Cecen Aksu

Dr. Aksu is a mining consultant presently living in Turkey. Dr. Aksu has, over the last six years, been a consultant and adviser to several Canadian and Chinese mining companies looking to source mining projects in Turkey and the Balkans.

Bruce Reid

Mr. Reid has over 35 years of extensive experience in mining development, exploration and corporate finance. He currently serves as director and/or officer of several companies. Prior thereto Mr. Reid worked as both an investment banker and a mining analyst in the Canadian securities industry for a number of prominent firms such as Nesbitt Thompson, Loewen Ondaatje McCutcheon and Yorkton Securities. His background also includes an Honours B.Sc. in Geology from the University of Toronto in 1979 and a Finance degree from the University of Windsor in 1982.

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

Audit Committee Oversight

At no time since April 1, 2016 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since April 1, 2016 has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), the exemptions in Subsection 6.1.1(4) (Circumstance Affecting the Business or Operations of the Venture Issuer), Subsection 6.1.1(5) (Events Outside Control of Member), Subsection 6.1.1(6) (Death, Incapacity or Resignation) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (Exemptions).

The Corporation is relying on the exemption in Section 6.1 of NI 52-110 which exempts venture issuers, as defined in NI 52-110, from certain reporting obligations under NI 52-110 for its most recently completed financial years ended March 31, 2017 and 2016.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

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

Financial Period Ending	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
March 31, 2017	\$12,000	\$Nil	\$Nil	\$Nil
March 31, 2016	\$12,000	\$Nil	\$Nil	\$Nil

- (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

The following disclosure regarding corporate governance matters is provided pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”) and in accordance with Form 58-101F2. The following describes the Corporation’s approach to corporate governance.

Board of Directors

The Board currently consists of five directors: Harold Shipes, President and CEO, Robert Naso, Aylin Cecen Aksu, Bruce Reid and Jeffrey Steiner.

Messrs. Naso, Reid, Steiner and Dr. Aksu are independent directors as defined in NI 58-101 and NI 52-110. Mr. Shipes is an executive officer of the Corporation and is deemed to be not independent of the Corporation.

Directorships

The following directors of the Corporation are also directors of other reporting issuers as set out below:

Name of Director	Name of Reporting Issuer
Harold (Roy) Shipes	N/A
Robert Naso	Arian Resources Corp. and Jinhua Capital Corporation
Aylin Cecen Aksu	Arian Resources Corp.
Bruce Reid	Debut Diamonds Inc., Canuc Resources Corporation, GoldTrain Resources Inc., KWG Resources Inc., Liberty Silver Corp., Satori Resources Inc., SGX Resources Inc. and Telferscot Resources Inc.
Jeffrey Steiner	N/A

Orientation and Continuing Education

At present, the Corporation does not provide a formal orientation and education program for new directors. Prior to joining the Board, potential Board members are encouraged to meet with management and inform themselves regarding management and the Corporations affairs. After joining the Board, management and the Chair of the Board provide orientation both at the outset and on an ongoing basis. The Corporation currently has no specific policy regarding continuing education for directors, and requests for education are encouraged and dealt with on an ad hoc basis.

Ethical Business Conduct

The primary step taken by the Corporation to encourage and promote a culture of ethical business conduct is to conduct appropriate due diligence on proposed directors and ensure that proposed directors are of the highest ethical standards. The Board does not currently have a written code of ethics. The Board monitors the ethical conduct of the

Corporation and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. When discussing potential transactions and agreements where a director has an interest, that director will be expected to disclose that interest to the Board and if necessary the Board may ask that director not to participate in the ensuing discussion and/or voting on that particular transaction and/or agreement.

Nomination of Directors

Once a decision has been made to add or replace a director, the task of identifying new candidates falls on the Board and management. Proposals are put forth by the Board and management and considered and discussed. If a candidate looks promising, the Board and management will conduct due diligence on the candidate and if the results are satisfactory, the candidate is invited to join the Board.

Compensation

The compensation for Board members is determined by the Compensation Committee, in accordance with industry norms and with reference to each individual director's level of involvement with the Corporation. The CEO's compensation is determined by the Board (excluding the CEO), based on the recommendation of the Compensation Committee formed to conduct research into compensation matters and make a recommendation to the Board. See "*Statement of Executive Compensation – Oversight and Description of Director and NEO Compensation – Compensation Governance*" for further details of the Compensation Committee.

Other Board Committees

The Corporation has no other committees other than the Audit and Compensation Committees.

Assessments

At present, the Board does not have a formal process for assessing the effectiveness of the Board, its committees and individual directors are performing effectively. These matters are dealt with on a case by case basis at the Board level.

STATEMENT OF EXECUTIVE COMPENSATION

The following disclosure regarding executive compensation is provided pursuant to National Instrument 51-102 Continuous Disclosure and in accordance with Form 51-102F6V for venture issuers.

General

For the purposes of this Management Proxy Circular, a "Named Executive Officer" (a "NEO") means the following persons:

- (a) the Company's Chief Executive Officer ("CEO");
- (b) the Corporation's Chief Financial Officer ("CFO");
- (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 Statement of Executive Compensation, for that financial year; and

- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended March 31, 2017, the Corporation had three NEOs, namely:

- (i) Harold (Roy) Shipes, who initially served as CEO from October 12, 2016 to November 29, 2016, and was re-appointed on February 7, 2017 following the passing of Mr. Huguét;
- (ii) Robert Naso, former CFO, who served as CFO from March 31, 2015 until June 2, 2017; and
- (iii) The late John F. Huguét, who served as CEO from November 29, 2016 until February 4, 2017.

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Corporation to each NEO and director of the Corporation for the completed financial years ended March 31, 2017 and 2016. Options and compensation securities are disclosed under the heading “*Stock Options and Other Compensation Securities and Instruments*” below.

Table of Compensation, Excluding Compensation Securities							
Name and position	Year ⁽¹⁾	Salary, consulting fee, retainer or commission (\$) ⁽²⁾	Bonus (\$) ⁽²⁾	Committee or meeting fees (\$) ⁽²⁾	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽²⁾
Harold Shipes ⁽³⁾⁽⁴⁾ President, CEO and Director	2017 2016	40,000 n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a	40,000 n/a
Nick DeMare ⁽⁵⁾ CFO	2017 2016	49,000 n/a	Nil n/a	Nil n/a	Nil n/a	62,000 ⁽⁶⁾ n/a	111,000 n/a
Robert Naso ⁽⁵⁾ Director and former CFO	2017 2016	64,000 44,300	Nil Nil	Nil Nil	7,747 Nil	Nil Nil	71,747 44,300
Dr. Aylin Cecen Aksu ⁽⁷⁾ Director	2017 2016	Nil n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a
Bruce Reid ⁽⁸⁾ Director	2017 2016	Nil n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a	Nil n/a
John F. Huguét ^{(4) (9)} Former Director, former Chairman and former CEO	2017 2016	66,000 Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	66,000 Nil

NOTES:

- (1) Financial years ended March 31.
- (2) All amounts shown were paid in Canadian currency, the reporting currency of the Corporation.
- (3) Mr. Shipes was appointed as President, CEO and director of the Corporation on October 12, 2016.
- (4) On November 29, 2016 Mr. Shipes ceased to be the CEO and the late Mr. Huguét was appointed in his stead. On February 7, 2017, following the passing of Mr. Huguét, Mr. Shipes was re-appointed as CEO.
- (5) Mr. DeMare was appointed as CFO on June 2, 2017 following the resignation of Mr. Naso, who served as CFO from March 31, 2015 to June 2, 2017. Mr. DeMare was paid \$49,000 during fiscal 2017 in his capacity as the Corporation’s Corporate Secretary.

- (6) Paid to Chase Management Ltd. (“Chase”), a company wholly-owned by Mr. DeMare. The amounts paid to Chase was for administrative and accounting services rendered to the Corporation by Chase personnel, exclusive of Mr. DeMare.
- (7) Dr. Aksu was appointed as director on May 1, 2016.
- (8) Mr. Reid was appointed as director on November 29, 2016.
- (9) Mr. Huguet served as Chairman and director from February 9, 2016 to February 4, 2017 and as CEO from November 29, 2016 to February 4, 2017.

Stock Options and Other Compensation Securities and Instruments

The following table of compensation securities provides a summary of all compensation securities granted or issued by the Corporation to each NEO and director of the Corporation for the financial year ended March 31, 2017, for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

Compensation Securities							
Name	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Harold Shipes	Options	300,000	Jan. 04/17	0.27	0.27	0.25	Jan. 04/20
Nick DeMare	Options	370,000 ⁽¹⁾ 50,000 ⁽²⁾	Jul. 15/16 Jan. 04/17	0.20 0.27	0.20 0.27	0.25 0.25	Jul. 15/19 Jan. 04/20
Robert Naso	Options	350,000	Jul. 15/16	0.20	0.20	0.25	Jul. 15/19
Dr. Aylin Cecen Aksu	Options	250,000	Jul. 15/16	0.20	0.20	0.25	Jul. 15/19
Bruce Reid	Options	250,000	Jan. 04/17	0.27	0.27	0.25	Jan. 04/20
John F. Huguet	Options	380,000 75,000	Jul. 15/16 Jan. 04/17	0.20 0.27	0.20 0.27	0.25 0.25	Feb. 04/18 Feb. 04/18

NOTES:

- (1) Includes 100,000 options granted to Chase.
- (2) Granted to Chase.

The following table provides a summary of each exercise of compensation securities by each NEO and director of the Corporation for the financial year ended March 31, 2017:

Exercise of Compensation Securities							
Name	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Harold Shipes	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Nick DeMare	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Robert Naso	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Dr. Aylin Cecen Aksu	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Exercise of Compensation Securities							
Name	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Bruce Reid	n/a	Nil	n/a	n/a	n/a	n/a	n/a
John F. Huguet	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Stock Option Plans and Other Incentive Plans

The Corporation has no other incentive plans other than its stock option plan (the “**Option Plan**”). The purpose of the Option Plan is to provide the Corporation with a share related mechanism to enable the Corporation to attract, retain and motivate qualified directors, officers, employees and other service providers, to reward directors, officers, employees and other service providers for their contribution toward the long term goals of the Corporation and to enable and encourage such individuals to acquire shares of the Corporation as long term investments.

For a description of the Option Plan, see “*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*”.

Employment, Consulting and Management Agreements

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

Oversight and Description of Director and NEO Compensation

Compensation Governance

The Corporation’s executive compensation program is administered by the Compensation Committee, which was formed in May of 2016. The Compensation Committee’s responsibilities include reviewing and making recommendations to the Board with respect to the adequacy and the form of compensation to all executive officers and directors of the Corporation; making recommendations to the Board in respect of the granting of stock options to management, directors, officers and other employees and consultants of the Corporation and its subsidiaries; and monitoring the performance of the Corporation’s executive officers.

The Compensation Committee is now comprised of Harold (Roy) Shipes and Aylin Aksu. Dr. Aksu is independent within the meaning of NI 52-110. Mr. Shipes is an executive officer and is deemed to be non-independent of the Corporation.

The Board is of the view that the Compensation Committee collectively has the knowledge, skills, experience and background to make decisions on the suitability of the Corporation’s compensation policies and practices. The Board believes its compensation practices are appropriate and effective for the Corporation, given its size and operations. The Corporation’s compensation practices allow the Corporation to operate efficiently, with checks and balances that control and monitor management and corporate functions without excessive administration burden. A description of the skills and experience of each member of the Compensation Committee is set out in this Information Circular under “*Audit Committee – Relevant Education and Experience*”.

Compensation Philosophy and Objectives

The Corporation’s compensation program for its executive officers is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning the interests of the executive officers with those of the Corporation's shareholders.

Executive Compensation Policy

In compensating its executive officers, the Corporation has employed a combination of base salary, bonus compensation and equity participation through its stock option plan.

Base Salary

Base salary is the principal component of the Corporation's executive compensation program, and the base salary for each executive officer is based on the position held and the related responsibilities and functions performed by the executive. Individual and corporate performance is also taken into account in determining base salary levels for executives.

Bonus Incentive Compensation

The Board determines, on a discretionary basis, incentive awards or bonuses to be paid by the Corporation to the executive officers of the Corporation in respect of a fiscal year, following advice from the Compensation Committee. No bonus incentive compensation was paid by the Corporation in the financial years ended March 31, 2017 and 2016.

Equity Participation

The Corporation believes that encouraging its executives and employees to become shareholders of the Corporation is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through participation in the Corporation's Option Plan. The stock option component of executive officers' compensation is intended to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation to acquire common shares of the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs. Grants under the Option Plan are intended to provide long-term awards linked directly to the market value performance of the Corporation's common shares. The Board reviews the recommendations the Compensation Committee for the granting of stock options to management, directors, officers and other employees and consultants of the Corporation and its subsidiaries. Stock options are granted according to the specific level of responsibility of the particular grantee. The number of outstanding options is also considered by the Board when determining the number of options to be granted in any particular year due to the limited number of options which are available for grant under the Option Plan. See "*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*" for further particulars of the Option Plan.

Compensation Risk Assessment and Mitigation

The Board and the Compensation Committee have considered the implications of the risks associated with the Corporation's compensation policies and practices. The Board and the Compensation Committee are responsible for setting and overseeing the Corporation's compensation policies and practices. The Board and Compensation Committee do not provide specific monitoring and oversight of compensation policies and practices of the Corporation but do review, consider and adjust these matters annually. The Corporation does not use any specific practices to identify and mitigate compensation policies that could encourage a Named Executive Officer or individual at a principal business unit or division to take inappropriate or excessive risks. These matters are dealt with on a case-by-case basis. The Corporation currently believes that none of its policies encourage its Named Executive Officers to take such risks. The Corporation has not identified any risks arising from its compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

There are no restrictions on Named Executive Officers or directors regarding the purchase of financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. For the years ended March 31, 2016 and 2015, no Named Executive Officer or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

Termination And Change Of Control Benefits

The Corporation does not have any contracts, agreements, plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in respect of compensating such officers in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control, where the value of such compensation exceeds \$50,000 per executive officer.

Pension

The Corporation does not provide retirement benefits for directors or executive officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table provides information regarding the number of securities authorized for issuance under the Option Plan, as at the end of the Corporation's most recently completed financial year ended March 31, 2017:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c)
Equity compensation plans approved by securityholders	3,050,000	0.24	158,150
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

NOTE:

- (1) Based on the total number of common shares of the Corporation to be reserved and authorized for issuance pursuant to options granted under the Option Plan, being 10% of the 32,081,501 issued and outstanding common shares at March 31, 2017. See "*Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan*" for further particulars of the Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Except as disclosed below, since April 1, 2016, no current or former director, executive officer or employee of the Corporation, or of any of its subsidiaries, has been indebted to the Corporation or to any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Management Proxy Circular or set out below and other than transactions carried out in the ordinary course of business of the Corporation or any of its subsidiaries, no director or senior officer of the Corporation, management nominee for election as a director of the Corporation, shareholder beneficially owning shares carrying more than 10% of the voting rights attached to the shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since April 1, 2016 any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

APPOINTMENT OF AUDITORS

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the appointment of Jackson & Company, Chartered Accountants, as auditors of the Corporation and to authorize the directors to fix their remuneration. Jackson & Company, Chartered Accountants, has been the Corporation's auditor since March 30, 2015.

MANAGEMENT CONTRACTS

Other than as described herein, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors or executive officers of the Corporation.

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

Other than as disclosed elsewhere in this Management Proxy 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 most recently 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.

PARTICULARS OF MATTERS TO BE ACTED UPON

Ratification of Stock Option Plan

In November 2016 the Corporation adopted a new 10% rolling stock option plan (the "**Option Plan**") whereby the maximum number of common shares that may be reserved for issuance pursuant to such plan will not exceed 10% of the issued shares of the Corporation at the time of the stock option grant. The Option Plan was approved by the shareholders at the annual and special meeting held on November 26, 2016 and accepted by the TSX Venture Exchange (the "**Exchange**") on December 19, 2016.

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

The following information is intended to be a brief description of the Option Plan and is qualified in its entirety by the full text of the Option Plan which is available for review by any shareholder up until the day preceding the Meeting at the Corporation's head office at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia, and will be available at the Meeting.

Pursuant to the Option Plan, stock options may be granted to directors, officers, employees and consultants of the Corporation or any subsidiary of the Corporation. The aggregate number of options granted to any option holder in a twelve month period must not exceed 5% of the issued and outstanding common shares of the Corporation, and the maximum number of options which may be granted to insiders within any twelve month period must not exceed 10% of the issued and outstanding common shares of the Corporation (unless the Corporation has obtained disinterested shareholder approval of such grants as required by the Exchange). The aggregate number of options

granted to any one consultant of the Corporation within any 12 month period must not exceed 2% of the issued and outstanding common shares of the Corporation. Options granted to all persons retained to provide investor relations activities must not exceed 2% of the issued and outstanding common shares of the Corporation in any 12 month period, calculated at the date an option is granted to any such person, and such options are subject to vesting provisions. The exercise price of the options to be granted under the Option Plan will be determined by the Board and will not be less than the market value of the common shares as of the date of grant, as permitted by the Exchange.

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

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

As at the date of this management information circular, the Corporation had 48,861,501 common shares issued and outstanding so that a maximum of 4,886,150 common shares would be available for issuance pursuant to the stock options granted under the Option Plan. Currently there are 4,985,000 stock options outstanding leaving 1,150 common shares available for grant of further options under the Option Plan.

The Exchange policies require that rolling stock option plans be approved by the shareholders on an annual basis. Accordingly, the Corporation requests that the shareholders pass the following ordinary resolution:

"RESOLVED, as an ordinary resolution, that:

1. the stock option plan (the "**Option Plan**") of Altair Resources Inc. (the "**Corporation**"), in the form approved by the shareholders of the Corporation at the last annual and special meeting held on November 29, 2016, with or without amendments that may be required to conform to the policies of the TSX Venture Exchange or comply with rules and regulations of any other regulatory body having authority over the Corporation or the Option Plan, is hereby ratified, confirmed and approved;
2. the Corporation is authorized to grant stock options pursuant and subject to the terms and conditions of the Option Plan entitling all of the optionholders in aggregate to purchase up to such number of common shares of the Corporation as is equal to 10% of the number of common shares of the Corporation issued and outstanding on the applicable grant date; and
3. any one of the directors or officers of the Corporation be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Corporation or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution."

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

Management of the Corporation recommends that the shareholders vote in favour of the Ratification of Stock Option Plan Resolution. It is the intention of persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Stock Option Plan Resolution

OTHER MATTERS

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

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation at its office located at Suite 1305, 1090 West Georgia Street, Vancouver, British Columbia V6E 3V7 or by telephone at (604) 685-9316 to request copies of the Corporation's financial statements and management discussion and analysis.

Financial information for the Corporation is provided in the Corporation's audited financial statements and management discussion and analysis for financial years ended March 31, 2017 and 2016 which are available on SEDAR at www.sedar.com.

DATED at Vancouver, British Columbia, this 29th day of September, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

"Harold (Roy) Shipes"

(signed) President & CEO

SCHEDULE "A"

CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF ALTAIR RESOURCES INC.

I. MANDATE

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Altair Resources Inc. (the "**Company**") shall assist the Board in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

- The quality and integrity of the Company's financial statements and other financial information.
- The compliance of such statements and information with legal and regulatory requirements.
- The qualifications and independence of the Company's independent external auditor (the "**Auditor**").
- The performance of the Company's internal accounting procedures and Auditor.

II. STRUCTURE AND OPERATIONS

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company.

Each member of the Committee must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least once in each fiscal year, or more frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

III. DUTIES

A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

Independence of Auditor

- (1) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and, if necessary, obtain a formal written statement from the Auditor setting forth all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard 1.
- (2) Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
- (3) Require the Auditor to report directly to the Committee.

- (4) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

Performance & Completion by Auditor of its Work

- (5) Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
- (6) Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
- (7) Pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by the Auditor unless such non-audit services:
 - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of revenues paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
 - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
 - (c) are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Internal Financial Controls & Operations of the Company

- (8) Establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Preparation of Financial Statements

- (9) Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
- (10) Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
- (11) Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
- (12) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.

- (13) Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:
 - (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
 - (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
 - (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

Public Disclosure by the Company

- (14) Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A) and earnings press releases before the Board approves and the Company publicly discloses this information.
- (15) Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
- (16) Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Manner of Carrying Out its Mandate

- (17) Consult, to the extent it deems necessary or appropriate, with the Auditor but without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (18) Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- (19) Meet, to the extent it deems necessary or appropriate, with management, any internal auditor and the Auditor in separate executive sessions at least quarterly.
- (20) Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee.
- (21) Make regular reports to the Board.
- (22) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- (23) Annually review the Committee's own performance.
- (24) Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.

- (25) Not delegate, other than to one or more independent members of the Committee, the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.