

## **SENATOR MINERALS INC.**

1600 – 609 Granville Street  
Vancouver, B.C. V7Y 1C3  
Tel: (403)278-3894

### **INFORMATION CIRCULAR**

(containing information as at November 25, 2013 unless indicated otherwise)

#### **For the Annual General and Special Meeting to be held on Thursday, January 2, 2014**

#### **SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by the Management of Senator Minerals Inc. (the "Company"), for use at the Annual General and Special Meeting (the "Meeting"), of the Shareholders of the Company, to be held on Thursday, the 2nd day of January, 2014, at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. The enclosed Instrument of Proxy is solicited by management of the Company. The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

#### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying form of proxy (the "Proxy") are Directors and/or Officers of the Company. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM ON HIS BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED INSTRUMENT OF PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER SHALL STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE INSTRUMENT OF PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED, OR COMPLETE ANOTHER INSTRUMENT OF PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH THE COMPANY'S REGISTRAR AND TRANSFER AGENT, VALIANT TRUST COMPANY, ATTENTION: PROXY DEPARTMENT, LOCATED AT #600-750 CAMBIE ST., VANCOUVER, BRITISH COLUMBIA, V6B 0A2 NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ADJOURNMENT THEREOF, UNLESS THE CHAIRMAN OF THE MEETING ELECTS TO EXERCISE HIS DISCRETION TO ACCEPT PROXIES DEPOSITED SUBSEQUENTLY.**

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

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited at the Company's Registrar and Transfer Agent, Valiant Trust Company, to the attention of: Proxy Department, with a mailing address of #600-750 Cambie St., Vancouver, British Columbia, V6B 0A2, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairperson of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

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

On any poll, the persons named in the enclosed Instrument of Proxy will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the proxy holder will do so in accordance with such direction.

IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, IT IS INTENDED 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 INFORMATION CIRCULAR. The Instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing

this Information Circular, the Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any 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.

In order to approve a motion proposed at the Meeting, a majority of greater than one-half of the votes cast will be required (an "Ordinary Resolution") unless the motion requires a Special Resolution, in which case a majority of not less than two thirds of the votes cast will be required.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name.** Shareholders who do not hold their common shares in their own name (referred to in this information circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Shareholder by a broker, then, in almost all cases, those common shares will not be registered in the Shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such common shares are registered under the name CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own ("OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are ("NOBOs" for Non-Objecting Beneficial Owners). Pursuant to National Instrument 54-101 issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy related materials directly to NOBOs.

This year, the Company has decided to take advantage of those provisions of National Instrument 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (VIF) from our Transfer Agent, Valiant Trust Company Inc. ("VTC"). These VIFs are to be completed and returned to VTC in the envelope provided or by facsimile. In addition, VTC provides internet voting as described on the VIF itself which contains complete instructions. VTC will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

With respect to Beneficial Shareholders who are OBOs, regulatory rules require intermediaries/brokers to seek voting instructions in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders who are OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder who is an OBO by its broker, agent or nominee is limited to instructing the registered holder of the common shares on how to vote such shares on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications ("Broadridge"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote common shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such common shares are voted.**

These security holder materials are being sent to both registered and non-registered owners of the shares of the Company. If you are a non-registered owner and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. In this event, by choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting common shares registered in the name of their broker, agent or nominee, a Beneficial Shareholder may attend the Meeting as a proxyholder for a shareholder and vote common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote

their common shares as proxyholder for the registered shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their common shares as a proxyholder.

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

The Company's authorized capital consists of an unlimited number of common shares ("Common Shares") without par value, and unlimited number of preferred shares (the "Preferred Shares"). As at November 25, 2013 (the "Record Date"), the Company has 11,156,867 Common Shares issued and outstanding, each share carrying the right to one vote. There are no Preferred Shares outstanding.

Any shareholder of record at the close of business on the Record Date who either personally attends the Meeting or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting, or any adjournment thereof.

To the best of the knowledge of the directors and senior officers of the Company no person beneficially owns, or control or direct, directly or indirectly, 10% or more of the issued and outstanding Common Shares of the Company.

### **EXECUTIVE COMPENSATION**

#### **Definitions: For the purpose of this Information Circular:**

"**CEO**" means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**CFO**" means an individual who acted as chief financial officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

"**closing market price**" means the price at which the company's security was last sold, on the applicable date,

- (a) in the security's principal marketplace in Canada, or
- (b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

"**company**" includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

"**equity incentive plan**" means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;

"**grant date**" means a date determined for financial statement reporting purposes under Section 3870 of the Handbook;

"**incentive plan**" means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

"**incentive plan award**" means compensation awarded, earned, paid, or payable under an incentive plan;

"**NEO**" or "**named executive officer**" means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

"**NI 52-107**" means National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"**non-equity incentive plan**" means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

"**option-based award**" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

"**plan**" includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

"**replacement grant**" means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

"**repricing**" means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## **STATEMENT OF EXECUTIVE COMPENSATION**

In accordance with the provisions of applicable securities legislation, the Company had 3 "Named Executive Officers" during the financial year ended December 31, 2012, Donald Simon, its President, CEO and Secretary who resigned on April 29, 2013; Roger Kidlark, its CFO, who resigned on, May 24, 2013, and Richard Redfern, the Vice President of Exploration, who resigned on May 22, 2012.

## **COMPENSATION DISCUSSION AND ANALYSIS**

At the present time, the Company relies solely on board discussion.

The compensation of the Company's Named Executive Officers has been established with a view to attracting and retaining executives critical to the Company's short and long-term success and to continuing to provide executives with compensation that is in accordance with existing market standards generally and competitive within the mining industry, in particular.

Compensation of the Company's Named Executive Officers is comprised of a base salary and the grant of options to purchase common shares under the Company's stock option plan (as more particularly described below). Through its executive compensation practices, the Company seeks to provide value to its shareholders through a strong executive leadership. Specifically, the Company's executive compensation structure seeks to attract and retain talented and experienced executives necessary to achieve the Company's strategic objectives, motivate and reward executives whose knowledge, skills and performance are critical to the Company's success, and align the interests of the Company's executives and shareholders by motivating executives to increase shareholder value.

### **Stock Options**

The Company has in effect a stock option plan in order to provide effective incentives to directors, officers, senior management personnel, employees of the Company and charities and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's Shareholders. The Company has no equity compensation plans other than the stock option plan. The stock option plan is an important part of the Company's long-term incentive strategy for its executive officers, permitting them to participate in any appreciation of the market value of the Common Shares over a stated period of time. The stock option plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such executive officer's long term contribution to the Company will be key to its long-term success. Previous grants of stock options are taken into account when considering new grants.

### **Option Based Awards**

Option based awards are granted, at the discretion of the Board, based on award levels in the past in compliance with applicable securities law, stock exchange and other regulatory requirements. Option grants may also be issued, at the discretion of the Board, throughout the year, to attract new directors, officers, employees or consultants.

## Compensation

The following table sets out certain information respecting the compensation paid to Named Executive Officers of the Company for the financial year ended December 31, 2012, 2011, and 2010.

**Summary Compensation Table**

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term incentive plans			
Donald Simon	2012	Nil	Nil	Nil	Nil	Nil	Nil	\$98,000	\$98,000
	2011	Nil	Nil	Nil	Nil	Nil	Nil	\$120,000	\$120,000
	2010	Nil	Nil	Nil	Nil	Nil	Nil	\$121,600	\$121,600
Roger Kidlark	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Redfern	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Deemed fair value of options granted during the fiscal year, based on the Black-Scholes-Merton model.

(1) Mr. Simon resigned as CEO, President, and Secretary on April 29, 2013.

(2) Mr. Kidlark resigned as CFO on May 24, 2012.

(3) Mr. Redfern resigned as Vice President of Exploration May 22, 2012.

## Narrative Discussion

During the most recently completed financial year, the Company had no employment agreements with its NEOs.

## NEO Incentive Plan Awards

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

The following table sets out certain information respecting each NEO's share-based and option-based awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money-options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Donald Simon	Nil	N/A	N/A	N/A	Nil	N/A
Roger Kidlark	Nil	N/A	N/A	N/A	Nil	N/A
Richard Redfern	Nil	N/A	N/A	N/A	Nil	N/A

(1) Calculated based on the December 31, 2012 closing price of \$0.005.

(2) Mr. Simon resigned as CEO, President, and Secretary on April 29, 2013.

(3) Mr. Kidlark resigned as CFO on May 24, 2012.

(4) Mr. Redfern resigned as Vice President of Exploration May 22, 2012.

### Incentive Plan Awards – Value Vested Or Earned During The Year

The following table sets out certain information respecting the value of each NEO's share-based and option-based awards that became vested or were earned during the most recently completed financial year.

Name	Option-Based Awards – Value Vested During the Year <sup>(1)</sup> (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Donald Simon	Nil	Nil	Nil
Roger Kidlark	Nil	Nil	Nil
Richard Redfern	Nil	Nil	Nil

(1) For options that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's common shares on the Exchange on the vesting date.

(2) Mr. Simon resigned as CEO, President, and Secretary on April 29, 2013.

(3) Mr. Kidlark resigned as CFO on May 24, 2012.

(4) Mr. Redfern resigned as Vice President of Exploration May 22, 2012.

### Narrative Discussion

The grant of stock options to NEO's pursuant to the Company's Option Plan is discussed above under the heading "Compensation Discussion and Analysis – Option-Based Awards".

### NEO Termination and Change of Control Benefits

There are no provisions in any contract, agreement, plan or arrangement, that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control in the Company or a change in the NEO's responsibilities, except as disclosed above under "NEO Summary Compensation Table – Narrative Discussion".

## **DIRECTOR COMPENSATION**

Compensation for the Named Executive Officers has already been disclosed above. Until a property of merit is acquired by the Company, the only compensation to Directors is in the form of stock option grants. When a property of merit is acquired by the Company, Directors' compensation will be reviewed with a view to compensating Directors on a competitive basis.

The following table sets out the amounts of compensation paid to the directors of the Company, other than Named Executive Officers, during the most recently completed financial year ended December 31, 2012.

**DIRECTORS COMPENSATION TABLE**

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
Jeffrey Scouten	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Andrew E. Nevin	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Deemed fair value of options granted during the fiscal year, based on the Black-Scholes-Merton model.

(2) Mr. Scouten resigned his position as director on May 24, 2013.

The Company has no standard arrangement pursuant to which Directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options.

During the Company's most recently completed fiscal year, there were no stock options granted by the Company.

### **Narrative Discussion**

There are no arrangements under which directors of the Company who were not NEO's were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors or consultants.

### **Share-Based Awards, Option-Based Awards And Non-Equity Incentive Plan Compensation**

#### **OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS**

The following table sets out certain information respecting share-based and option-based awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, for the directors of the Company who were not NEO's.

<b>Name</b>	<b>Option-based Awards</b>				<b>Share-based Awards</b>	
	<b>Number of securities underlying unexercised options (#)</b>	<b>Option exercise price (\$)</b>	<b>Option expiration date</b>	<b>Value of unexercised in-the-money-options<sup>(1)</sup> (\$)</b>	<b>Number of shares or units of shares that have not vested (#)</b>	<b>Market or payout value of share-based awards that have not vested (\$)</b>
Jeffrey Scouten	Nil	N/A	N/A	N/A	Nil	N/A
Andrew E. Nevin	Nil	N/A	N/A	N/A	Nil	N/A

(1) Calculated based on the December 31, 2012 closing price of \$0.005.

(2) Mr. Scouten resigned his position as director on May 24, 2013.

### **Incentive Plan Awards – Value Vested Or Earned During The Year**

The following table sets out certain information respecting the value of share-based and option-based awards that became vested or were earned during the most recently completed financial year for the directors of the Company who were not NEO's.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jeffrey Scouten	Nil	Nil	Nil
Andrew E. Nevin	Nil	Nil	Nil

(1) Calculated based on the December 31, 2012 closing price of \$0.005.

(2) Mr. Scouten resigned his position as director on May 24, 2013.

### Securities Authorized for Issuance under Equity Compensation

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2012:

#### Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	Nil	N/A	1,115,686
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
<b>TOTAL</b>	Nil	N/A	1,115,686

(1) The Plan reserved Common Shares equal to a maximum of 10% of the issued and outstanding Common Shares of the Company from time to time for issue of stock options.

### MANAGEMENT CONTRACTS

The Company is not a party to a Management Contract with any directors or executive officers of the Company.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION

The Company does not currently have any compensation plans under which equity securities are authorized for issuance.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than "routine indebtedness" as defined in applicable securities legislation, since the beginning of the last fiscal year of the Company, none of:

- (a) the executive officers, directors, employees and former executive officers, directors and employees of the Company or any of its subsidiaries;
- (b) the proposed nominees for election as a director of the Company; or
- (c) any associates of the foregoing persons;

is or has been indebted to the Company or any of its subsidiaries or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, and which was not entirely repaid on or before the date of this information circular.



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

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Company at any time since the beginning of the last financial year of the Company;
- (b) the proposed nominees for election as a Director of the Company; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For purposes of the following discussion, "**Informed Person**" means (a) a Director or Executive Officer of the Company; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company's financial statements for the financial year ended December 31, 2012, none of:

- a) the Informed Persons of the Company;
- b) the proposed nominees for election as a Director of the Company; or
- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company.

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

#### **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended December 31, 2012, together with the Auditor's Report of the Company (the "Financial Statements"), will be presented to Shareholders at the Meeting. The Financial Statements, the Auditor's Report thereon together with Management Discussion and Analysis ("MD&A") for the financial year ended December 31, 2012 will be available on SEDAR at [www.sedar.com](http://www.sedar.com) prior to the Annual General and Special Meeting of Shareholders. The Notice of Annual and Special Meeting of Shareholders, Information Circular, Request for Financial Statements (NI 51-102) and form of Proxy will be available from the Company's Registrar and Transfer Agent, Valiant Trust Company, #600-750 Cambie St., Vancouver, British Columbia, V6B 0A2.

#### **REQUEST FOR FINANCIAL STATEMENTS**

National Instrument 51-102 "Continuous Disclosure Obligations" sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered shareholders must also provide written instructions in order to receive the financial statements.

#### **FIXING THE NUMBER OF DIRECTORS AND ELECTION OF DIRECTORS**

The persons named in the enclosed Instrument of Proxy intend to vote in favour of fixing the number of Directors at four (4). Although Management is nominating four (4) individuals to stand for election, the names of further nominees for Directors may come from the floor at the Meeting.

Each Director of the Company is elected annually and holds office until the next Annual General Meeting of Shareholders unless his successor is duly elected or until his resignation as a Director.

In the absence of instructions to the contrary, the shares represented by Proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a Director.

**INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT**

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director, the province or state and country in which he is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which he has been a Director of the Company, the respective principal occupations or employment during the past five years if such nominee is not presently an elected Director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular. The three nominees are all currently Directors of the Company.

The nominees for the office of Director and information concerning them as furnished by the individual nominees are as follows:

<b>Name, Province and Country of Ordinary Residence and Positions Held with the Company</b>	<b>Principal Occupation<sup>(1)</sup></b>	<b>Date First Became a Director</b>	<b>No. of Shares Beneficially Owned, Directly or Indirectly</b>
Richard W. Grayston Alberta, Canada Director, President, CEO & Secretary	Consulting economist and public company management.	April 2013	Nil
Keir Reynolds British Columbia, Canada Director & CFO	President of Mammoth Market Advisory Corp., specializing in advising public and private companies with capital markets strategies.	May 2013	Nil
Mark L. P. Ferguson Alberta, Canada Director	Independent businessman	April 2013	Nil
Andrew E. Nevin British Columbia, Canada Director	Fellow of the SEG, member and past director of the SME-AIME, and Professional Geologist in Idaho, USA and Professional Engineer in British Columbia.	May 2012	Nil

(1) Based on information provided by the directors themselves.

The Company does not currently have an Executive Committee of its Board of Directors. Pursuant to National Instrument 52-110, the Company is required to have an Audit Committee of its board of directors. The current members of the Audit Committee are Andrew E. Nevin, Keir Reynolds and Mark L.P. Ferguson.

None of the proposed nominees for Director have, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Except as disclosed below, no proposed director (including any personal holding company of a proposed director), is:

- (1) as at the date of the Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (a) was the subject of a cease trade order (including a management cease trade order which applies to directors or executive officers), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (collectively an "order"), that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer;

- (b) was subject to an order that was issued after such person 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 a director, chief executive officer or chief financial officer;
- (2) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (3) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (4) 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 since March 31, 2000 or before March 31, 2000 the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; 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.

*Richard W. Grayston was a director, President, CEO and CFO of Ranger Canyon Energy Inc. ("Ranger"), a reporting issuer, when a cease trade order was issued by the Alberta Securities Commission (the "ASC") against Ranger on May 21, 2009 for failure to file audited financial statements for the year ended December 31, 2008. The 2008 financial statements have been filed with and accepted by the ASC; however, the cease trade order continues in effect as Ranger failed to file its audited 2009 financial statements within the prescribed time period before the 2008 financial statements were accepted by the ASC, and the 2009 financial statements remain unfiled as of the date hereof. Ranger filed articles of dissolution on May 2, 2012 and was dissolved.*

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 Company acting solely in such capacity.

#### **AUDIT COMMITTEE DISCLOSURE**

The charter of the Company's audit committee and the other information required to be disclosed by Form 52-110F2 are attached as Schedule "A".

#### **CORPORATE GOVERNANCE**

The information required to be disclosed by National Instrument 58-101 *Disclosure of Corporate Governance Practices* is attached to this information circular as Schedule "B".

#### **APPOINTMENT AND REMUNERATION OF AUDITORS**

Shareholders will be asked to approve the re-appointment of Dale Matheson Carr-Hilton Labonte LLP, as the auditor of the Company to hold office until the next Annual General Meeting of the Shareholders at remuneration to be fixed by the Board of Directors. Dale Matheson Carr-Hilton Labonte LLP was appointed as the Company's auditors since 2006. Management recommends the re-appointment, and the persons named in the enclosed Proxy intend to vote in favour of such re-appointment.

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

##### **Confirmation of Rolling Stock Option Plan**

At last year's annual general meeting, the Company proposed and the shareholders approved a 10% "rolling" stock option plan. Under the policies of the TSX Venture Exchange (the "Exchange"), a rolling stock option plan must be re-approved on a yearly basis by shareholders.

Shareholders will be asked to pass an ordinary resolution re-approving the Company's rolling stock option plan (the "Option Plan"). The details of the Option Plan are set forth below. Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of, the re-approval of the Option Plan.

- the Option Plan reserves, for issue pursuant to stock options, a maximum number of common shares equal to 10% of the outstanding common shares of the Company from time to time, with no mandatory vesting provisions;
- the number of common shares reserved for issue to any one person in any 12 month period under the Option Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- the number of common shares reserved for issue to any Consultant (as defined by the Exchange) in any 12 month period under the Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the aggregate number of common shares reserved for issue to any Employee (as defined by the Exchange) conducting Investor Relations Activities (as defined by the Exchange) in any 12 month period under the Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the number of common shares issued to any one person within a 12 month period on the exercise of stock options may not exceed 5% of the outstanding common shares at the time of exercise without Disinterested Shareholder Approval;
- the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange);
- stock options may have a term not exceeding ten years;
- there is no longer any requirement that stock options terminate within specified periods of the optionee ceasing to be a director, officer, employee or consultant of the Company;
- stock options are non-assignable and non-transferable; and
- the Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the common shares, or an amalgamation, merger or other relevant change in the Company's corporate structure, or any other relevant change in the Company's capitalization.

Pursuant to the Board's authority to govern the implementation and administration of the Option Plan, all previously granted and outstanding stock options shall be governed by the provisions of the Option Plan.

A copy of the Option Plan is available on request from the Company.

The text of the resolution to be passed is as follows. In order to be passed, a majority of the votes cast at the Meeting or in person or by proxy must be voted in favour of the resolution. The persons named in the enclosed Proxy intend to vote for such resolution:

*"BE IT RESOLVED THAT: the Company's Stock Option Plan dated May 24, 2013 be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the Exchange, as the directors of the Company may deem necessary or advisable."*

### **Continuation into British Columbia**

Senator Minerals Inc. presently exists under *Business Corporations Act* (Ontario) (the "**Ontario Act**"). Shareholders will be asked at the meeting to consider and, if thought fit, to pass a special resolution (the "**Continuation Resolution**") designed to effect the continuation (the "**Continuation**") of the Company into British Columbia, whereafter the Company will be subject to the *Business Corporations Act* (British Columbia) (the "**BC Act**"). In addition to shareholder approval, continuation into another jurisdiction is subject to the approval of the Ontario Registrar (on being satisfied that the Continuation will not adversely affect creditors or shareholders of the Company) and the TSX Venture Exchange (the "**Exchange**").

The BC Act adopts many provisions similar to those contained in corporate legislation elsewhere in Canada, including Ontario, and will permit the Company to take advantage of modernized corporate law procedures and requirements. Management is of the view that the Company will also achieve efficiencies and cost savings by having its registered and records office in British Columbia where its head office and management is located.

If the Continuation is approved, shareholders will also be approving:

1. a "Notice of Articles", which will provide that the Company's authorized capital be comprised of:
  - (a) an unlimited number of common shares without par value; and
  - (b) an unlimited number of preferred shares without par value, issuable in series, with special rights and restrictions attached; and
2. new articles (the "**Articles**") under the BC Act, which set rules for its conduct, similar to its existing bylaws under the Ontario Act, save as described herein.

Upon completion of the Continuation, the Ontario Act will cease to apply to the Company and the Company will thereupon become subject to the BC Act, as if it had been originally incorporated as a British Columbia company. The Continuation will not result in any change in the business of the Company or its assets, liabilities, net worth or management or its share capital, with the exception that the unlimited number of Preferred shares currently authorized will be replaced by one class of Preferred shares issuable in series, which the directors believe will give them greater flexibility to issue Preferred shares with specific rights and restrictions.

The Continuation will give rise to certain material changes in the corporate laws applicable to the Company. See the section titled "Comparison between BC and Ontario Corporate Law". The Continuation is not a reorganization, amalgamation or merger. Shareholders' shareholdings will not be altered by the Continuation (other than with respect to shareholders dissenting to the Continuation Resolution). See "Rights of Dissent to the Continuation" below for more information.

The proposed Notice of Articles and Articles, which will govern the affairs of the Company if the Continuation Resolution is approved by shareholders, are available for viewing by request to the Company at Suite 1600 – 609 Granville Street, Vancouver, BC V7Y 1C3. The proposed Notice of Articles and Articles will also be available for inspection at the meeting. The Company believes the major changes between its existing by-laws under the Ontario Act and its new Articles under the BC Act will be as follows:

- (a) The Company will be permitted to eliminate a class or series of shares if none of the shares of the class or series of shares are allotted or issued by way of a directors' resolution.
- (b) The Company will be permitted to change its name by way of a directors' resolution.
- (c) The residency requirements for directors are eliminated. This change will allow the Company to select the best possible directors with the most expertise, regardless of their residency.
- (d) The Company will also have greater flexibility with respect to the time within which it is required to hold an annual shareholder meeting each year.

The proposed Continuation gives rise to a right of dissent under Section 185 of the Ontario Act (see “Shareholders Rights of Dissent to the Continuation” below). If the right of dissent is exercised by any of the Company’s shareholders entitled to do so, and the Company completes the Continuation, the Company would be required to purchase for cash the dissenting shareholders’ shares in the capital of the Company at the fair value of those shares, as at the close of business on the last business day before the special resolution approving the Continuation is adopted, subject to the Ontario Act.

### *Comparison between BC and Ontario Corporate Law*

The following is only a summary of certain differences between the BC Act, the statute that will govern the corporate affairs of the Company upon the Continuation, and the Ontario Act, the statute which currently governs the corporate affairs of the Company. Notwithstanding the alteration of shareholders’ rights and obligations resulting from the continuation under the BC Act and adoption of the proposed Articles, the Company will still be bound by the rules and policies of the TSX Venture Exchange, the British Columbia Securities Commission and the Ontario Securities Commission, as well as other applicable securities legislation. Nothing that follows should be construed as legal advice to any particular shareholder, all of whom are advised to consult their own legal advisors respecting all of the implications of the Continuation.

### *Charter Documents*

Under the BC Act, the charter documents consist of a “notice of articles”, which sets forth the name of the Company and the amount and type of authorized capital and “articles” (collectively, the “**Charter Documents**”) which govern the management of the Company. The notice of articles is filed with the Registrar of Companies and the articles are filed only with the Company’s registered and records office.

Under the Ontario Act, the Company has “articles”, which set forth the name of the Company and the amount and type of authorized capital, the restrictions on share transfers (if any), the number of directors, and any restrictions on business. Under the Ontario Act, companies also have “by-laws” which govern the management of the Company. The articles are filed with the Ontario Companies Office and the by-laws are filed only with the Company’s registered and records office.

### *Amendments to the Charter Documents of the Company*

The Ontario Act, which currently governs the Company, requires a special resolution passed by a majority of not less than two-thirds of the votes cast on the resolution to make fundamental changes to the Company’s articles; changes to the Company’s by-laws requires only an ordinary resolution passed by a simple majority of the votes cast on the resolution.

Generally, under the BC Act, a company must not alter its notice of articles or articles unless it is authorized to do so: (a) by the type of resolution specified in the BC Act; (b) if the BC Act does not specify a type of resolution, then by the type of resolution specified in the company’s articles; or (c) if neither the BC Act nor the articles specify the type of resolution, then by special resolution.

Under the BC Act, and unless otherwise provided in a company’s articles, a “special resolution” usually refers to a majority of at least two-thirds (2/3) of the votes cast on the resolution and an “ordinary resolution” refers to a simple majority of the votes cast on the resolution.

### *Sale of Company's Undertaking*

Under the BC Act, a company may sell, lease or otherwise dispose of all or substantially all of the undertaking of the company only if it does so in the ordinary course of its business or if it has been authorized to do so by a special resolution. The BC Act does not specify whether holders of shares that do not otherwise carry a right to vote may vote on any proposed sale, lease or disposition of all or substantially all of the undertaking of a company.

Under the Ontario Act, a company may sell, lease or exchange all or substantially all of the property of the company (other than in the ordinary course of business of the company) only if it has been authorized by a special resolution. Each share of the company carries the right to vote in respect of the sale, lease or exchange whether or not such share otherwise carries the right to vote and, where a class or series of shares is affected by the sale, lease or exchange in a manner different from another class or series, the holders of shares of that affected class or series are entitled to vote separately on the transaction.

### *Rights of Dissent and Appraisal*

The BC Act provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable where the company proposes to:

- (a) alter its articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- (b) adopt an amalgamation agreement;
- (c) approve an amalgamation into a foreign jurisdiction;
- (d) approve an arrangement, the terms of which arrangement permit dissent;
- (e) authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking; or
- (f) authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) in respect of any other resolution, if dissent is authorized by the resolution; or
- (h) any court order that permits dissent.

The Ontario Act contains similar dissent rights. In Ontario, the dissent right is applicable where the Company proposes to:

- (a) amend its articles to change the restriction on share transfers, or to remove or change any restrictions on the business that the company may carry out;
- (b) amalgamate with another company;
- (c) be continued under the laws of another jurisdiction; or
- (d) sell, lease or exchange all or substantially all of its property.

### *Oppression Remedies*

Under the BC Act, a shareholder of a company has the right to apply to court on the grounds that:

- (a) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant, or some act of the company has been done or is threatened, or
- (b) some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

On such an application, the court may make such order as it sees fit including an order to prohibit any act proposed by the company or an order to vary or set aside any transaction or resolution.

The Ontario Act contains rights that are substantially broader in that they are available to a larger class of complainants. The right under the Ontario Act extends to directors, officers or security holders (whether the security is legally or beneficially owned), former directors, officers or security holders (whether the security is legally or beneficially owned) of a company or any of its affiliates, creditors of the company (in the discretion of the court), or any other person who, in the discretion of a court, is a proper person to seek an oppression remedy. The court can make an order in respect of a company or any of its affiliates, where any act or omission of the company or its affiliates effects a result, or the business or affairs of the company or its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the company or any of its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interest of, any security holder, creditor, director or officer. As is the case under the BC Act, on such an application, the court may make such an order as it sees fit, including an order restraining the conduct complained of or an order compensating the complainant.

### *Shareholder Derivative Actions*

Under the BC Act, a shareholder or director of a company may, with judicial leave, bring an action in the name and on behalf of the company to enforce a right, duty or obligation owed to the company that could be enforced by the company itself or to obtain damages for any breach of such right, duty or obligation. There is a similar right of a shareholder or director, with leave of the court, and in the name and on behalf of the company, to defend an action brought against the company. The court will grant leave for an application to commence a derivative action if:

- (a) the complainant has made reasonable efforts to cause the directors of the company to prosecute or defend the legal proceeding;
- (b) notice of the application for leave has been given to the company and to any other person the court may order;
- (c) the complainant is acting in good faith; and
- (d) it appears to the court that it is in the best interests of the company for the legal proceeding to be prosecuted or defended.

The Ontario Act contains similar provisions for derivative actions but the right to bring a derivative action is available to a broader group - the right under the Ontario Act extends to directors, officers or security holders (whether the security is legally or beneficially owned), former directors, officers or security holders (whether the security is legally or beneficially owned) of a company or any of its affiliates, creditors of the company, or any other person who, in the discretion of a court, is a proper person to bring a derivative action. Also, the Ontario Act permits a complainant to commence an action in the name of a subsidiary of the company.

### *Requisition of Meetings*

The BC Act provides that one or more shareholders of a company holding not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting, which meeting must be held within four months.

The Ontario Act permits the registered or beneficial holders of not less than 5% of the issued voting shares of the company to require the directors to call and hold a meeting of the shareholders of the company for the purposes stated in the requisition. Only the registered holders may vote at this meeting. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

### *Place of Meetings*

Under the BC Act, general meetings of shareholders are to be held in British Columbia or may be held at a location outside of British Columbia if:

- (a) the location is provided for in the articles;
- (b) the articles do not restrict the company from approving a location outside of British Columbia, the location is approved by the resolution required by the articles for that purpose (the proposed Articles provide for determination of the location by resolution of the directors), or if no resolution is specified then approved by ordinary resolution before the meeting is held; or
- (c) the location is approved in writing by the Registrar of Companies before the meeting is held.

The Ontario Act provides that meetings of shareholders may be held outside Ontario if the company's articles so provide or if all the shareholders entitled to vote at the meeting so agree.



### *Directors*

The BC Act provides that the Company, as a public company, must have a minimum of three directors but does not impose any residency requirements on the directors.

The Ontario Act requires that for distributing corporations (like the Company) there must be a minimum of three directors at least two of whom shall not be officers or employees of the company or its affiliates, and at least one quarter of the directors be resident Canadians.

### *Shareholders' Pre-emptive Rights*

Under the Ontario Act, shareholders may have pre-emptive rights to purchase shares issued by the company, if it is provided for in a unanimous shareholders agreement or the articles of the company.

The BC Act is silent on shareholders' pre-emptive rights.

### *Dividends*

Under the BC Act, a company may pay dividends to its shareholders by shares or money, unless the company is insolvent or the payment of the dividends would render the company insolvent.

Under the Ontario Act, a company may not pay dividends if the company is, or would after the payment be, unable to pay its liabilities as they become due, or the realizable value of the company's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

### *Shareholders Rights of Dissent to the Continuation*

The holders of the common shares of Senator Minerals Inc. have the right to dissent to the Continuation pursuant to section 185 of the Ontario Act, the text of which is set forth in Schedule C to this Information Circular. In the event that the actions approved by the Continuation Resolution become effective, any shareholder who dissents in accordance with the provisions of section 185 (a "Dissenting Shareholder") will be entitled to be paid by the Company the fair value of the common shares held by such shareholder determined as at the close of business on the last business day before the Continuation Resolution was adopted.

The procedure for exercising this remedy is set forth in Schedule C and should be reviewed carefully. **Failure to adhere strictly to the requirements of section 185 of the Ontario Act may result in the loss or unavailability of the noncompliant shareholders' rights under that section.**

In any event, if a notice of dissent is given by a shareholder it is the present intention of management to determine in its discretion whether or not to proceed with the completion and filing of Continuation Application under the BC Act.

### *The Continuation Resolution*

Subject to such changes as may be required by regulatory authorities or as may be recommended by counsel, shareholders will be asked at the meeting to approve the Continuation Resolution, the proposed text of which follows. In order to be effective the Continuation Resolution requires the favourable vote of not less than two-thirds (2/3) of the votes cast on the resolution at the meeting, either in person or by proxy.

*"RESOLVED, as a special resolution, that:*

- 1. the Company be authorized to prepare a Continuation Application and Notice of Articles respecting the proposed continuation of the Company from Ontario to British Columbia;*
- 2. the Company apply to the Companies Office (Ontario) (the "Ontario Registrar") to permit such continuation in accordance with section 181 of the Business Corporations Act (Ontario) (the "Ontario Act");*
- 3. the Company apply to the Registrar of Companies (British Columbia) (the "BC Registrar") to permit such continuation in accordance with section 302 of the Business Corporations Act (British Columbia) (the "BC Act");*

4. *subject to the issuance by the BC Registrar of a Certificate of Continuation and without affecting the validity of the Company and the existence of the Company by or under its articles and by-laws and any act done thereunder, effective upon issuance of the Certificate of Continuation, the Company adopt the Notice of Articles attached to Continuation Application and the Articles in the form approved by the directors of the Company pursuant to the BC Act, in substitution for the articles and by-laws of the Company pursuant to the Ontario Act, and all amendments reflected therein, are approved and adopted;*
5. *Anfield Sujir Kennedy & Durno LLP be appointed as the Company's agent to electronically file the Continuation Application with the BC Registrar and to apply to the Ontario Registrar for authorization permitting the continuation and to request a certificate of discontinuation under the Ontario Act;*
6. *on the date and time that the Continuation Application is filed with the BC Registrar, the existing articles and by-laws of the Company be replaced with the Notice of Articles contained in the Continuation Application and the Articles, all as approved by the directors of the Company;*
7. *notwithstanding the passage of this special resolution by the shareholders of the Company, the Board of Directors of the Company, in their sole discretion and without further notice to or approval of the shareholders of the Company, may decide not to proceed with the continuation or otherwise give effect to this special resolution, at any time prior to the continuation becoming effective; and*
8. *any one officer or director of the Company is authorized, for and on behalf of the Company, to execute and deliver such documents and instruments and to take such other actions as such officer or director may determine to be necessary or advisable to implement this resolution and the matters authorized hereby including, without limitation, the execution and filing of the Continuation Application and any forms prescribed by or contemplated under the BC Act."*

The Continuation and the Notice of Articles shall take effect immediately on the date and time the Notice of Continuation and Notice of Articles are filed with the British Columbia Registrar of Companies. The Articles shall have effect immediately on the date and time the Articles are deposited for filing in the Company's records office.

Notwithstanding the approval of the Continuation by the shareholders, the directors may abandon the Continuation without further approval from the shareholders. If the Continuation is abandoned, the Company's jurisdiction of incorporation will remain under the Ontario Act and the Continuation will not be completed. Management of Senator Minerals Inc. recommends that shareholders vote in favour of the Continuation Resolution as defined herein. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the Continuation Resolution.**

#### **OTHER MATTERS**

As of the date of this information circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Company's Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the Company, at 1600 – 609 Granville Street, Vancouver, BC V7Y 1C3, Tel: (403)278-3894 and such documents will be sent by mail or electronically by email as may be specified at the time of the request.

**DIRECTOR APPROVAL**

The contents of this Information Circular and the sending thereof to the Shareholders of the Company has been approved by the Board of Directors.

DATED at Vancouver, British Columbia, this 12th day of December, 2013.

By Order of the Board of Directors  
**Senator Minerals Inc.**  
*"Richard W. Grayston"*

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Richard W. Grayston  
President and Director

**SCHEDULE "A"**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**

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**ITEM 1: THE AUDIT COMMITTEE'S CHARTER**

1. Purpose

(a) The role of the Audit Committee is to assist the Board of Directors of the Company (the "Board") in its oversight and evaluation of:

- the quality and integrity of the financial statements of the Company,
- the compliance by the Company with legal and regulatory requirements in respect of financial disclosure,
- the qualification, independence and performance of the Company's independent auditor,
- the assessment, monitoring and management of the strategic, operational, reporting and compliance risks of the Company's business (the "Risks"), and
- the performance of the Company's Chief Financial Officer (the "CFO").

(b) In addition, the Audit Committee provides an avenue for communication between the independent auditor, the Company's CFO and other financial senior management, other employees and the Board concerning accounting, auditing and Risk management matters.

(c) The Audit Committee is directly responsible for the recommendation of the appointment and retention (and termination) and for the compensation and the oversight of the work of the independent auditor (including oversight of the resolution of any disagreements between senior management and the independent auditor regarding financial reporting) for the purpose of preparing audit reports or performing other audit, review or attest services for the Company.

(d) The Audit Committee is not responsible for:

- planning or conducting audits, or
- certifying or determining the completeness or accuracy of the Company's financial statements or that those financial statements are in accordance with generally accepted accounting principles ("GAAP").

(e) Each member of the Audit Committee shall be entitled to rely in good faith upon:

- financial statements of the Company represented to him or her by senior management of the Company or in a written report of the independent auditor to present fairly the financial position of the Company in accordance with GAAP, and
- any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

"Good faith reliance" means that the Audit Committee member has considered the relevant issues, questioned the information provided and assumptions used, and assessed whether the analysis provided by senior management or the expert is reasonable. Generally, good faith reliance does not require that the member question the honesty, competence and integrity of senior management or the expert unless there is a reason to doubt their honesty, competence and integrity.

(f) The fundamental responsibility for the Company's financial statements and disclosure rests with senior management. It is not the duty of the Audit Committee to conduct investigations, to itself resolve

disagreements (if any) between senior management and the independent auditor or to assure compliance with applicable legal and regulatory requirements.

- (g) In discharging its obligations under this Charter, the Audit Committee shall act in accordance with its fiduciary duties.

## 9. Membership

- (a) Members of the Audit Committee shall be appointed by the Board, on the recommendation of the Compensation and Corporate Governance Committee, and shall be made up of at least 3 members of the Board.

- (b) The appointment of members of the Audit Committee shall take place annually at the first meeting of the Board after a meeting of shareholders at which directors are elected, provided that if the appointment of members of the Audit Committee is not so made, the directors who are then serving as members of the Audit Committee shall continue as members of the Audit Committee until their successors are appointed. The Board may appoint a member to fill a vacancy that occurs in the Audit Committee between annual elections of directors.

- (c) Any member of the Audit Committee may be removed from the Audit Committee by a resolution of the Board.

- (d) The Board shall appoint a chairman of the Audit Committee who shall be an independent non-executive director. In the absence of the chairman and/or an appointed deputy, the remaining members present shall elect one of the members present to chair the meeting.

- (e) Each of the members of the Audit Committee shall meet the Company's standards of Director Independence and shall be financially literate (or acquire that familiarity within a reasonable period after appointment) in accordance with applicable legislation and stock exchange requirements.

- (f) No member of the Audit Committee shall:

- accept (directly or indirectly) any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries (other than remuneration for acting in his or her capacity as a director or committee member) or be an "affiliated person" of the Company or any of its subsidiaries, or
- concurrently serve on the audit committee of more than three other public companies without the prior approval of the Audit Committee, the Compensation and Corporate Governance Committee and the Board and their determination that such simultaneous service would not impair the ability of the member to effectively serve on the Audit Committee (which determination shall be disclosed in the Company's annual management information circular).

## 10. Meetings

- (a) The Company Secretary shall act as the Secretary of the Audit Committee.

- (b) The quorum necessary for the transaction of business at any meeting of the Audit Committee shall be a majority of the number of members of the Audit Committee or such greater number as the Audit Committee shall by resolution determine.

- (c) A duly convened meeting of the Audit Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Audit Committee.

- (d) The powers of the Audit Committee may be exercised at a meeting at which a quorum of the Audit Committee is present in person or by telephone or other electronic means or by a resolution signed by all members entitled to vote on that resolution at a meeting of the Audit Committee.

- (e) Each member (including the Chair) is entitled to one (but only one) vote in Audit Committee proceedings.
- (f) The Audit Committee shall meet at least quarterly and more frequently as circumstances require at such times and places as the chairman of the Audit Committee may determine.
- (g) The Audit Committee shall meet separately, periodically, with senior management and the independent auditor and may request any member of the Company's senior management or the Company's outside counsel or independent auditor to attend meetings of the Audit Committee or with any members of, or advisors to, the Audit Committee. The Audit Committee will also meet in camera at each of its regularly scheduled meetings.
- (h) Meetings of the Audit Committee shall be summoned by the Secretary of the Audit Committee at the request of any of its members.
- (i) Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Audit Committee, any other person required to attend and all other non-executive directors, no fewer than 3 working days prior to the date of the meeting. Supporting papers shall be sent to the members of the Audit Committee and to other attendees as appropriate, at the same time.
- (j) The Secretary of the Audit Committee shall minute the proceedings and resolutions of all Audit Committee meetings, including the names of those present and in attendance.
- (k) Minutes of the Audit Committee meetings shall be circulated promptly to all members of the Audit Committee and, once agreed, to all members of the Board.
- (l) Except as otherwise provided in this Charter, the Audit Committee may form and delegate authority to individual members and subcommittees of the Audit Committee where the Audit Committee determines it is appropriate to do so.

## 11. Responsibilities

- (a) Independent Auditor - The Audit Committee shall:
  - Recommend the appointment and the compensation of, and, if appropriate, the termination of the independent auditor, subject to such Board and shareholder approval as is required under applicable legislation and stock exchange requirements.
  - Obtain confirmation from the independent auditor that it ultimately is accountable, and will report directly, to the Audit Committee.
  - Oversee the work of the independent auditor, including the resolution of any disagreements between senior management and the independent auditor regarding financial reporting.
  - Pre-approve all audit and non-audit services (including any internal control-related services) provided by the independent auditor (subject to any restrictions on such non-audit services imposed by applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators).
  - Adopt such policies and procedures as it determines appropriate for the pre-approval of the retention of the independent auditor by the Company and any of its subsidiaries for any audit or non-audit services, including procedures for the delegation of authority to provide such approval to one or more members of the Audit Committee.
  - Review the experience and qualifications of the senior members of the independent auditor's team.

- Obtain and review an annual report from the independent auditor regarding:
  - The independent auditor's internal quality-control procedures;
  - Any material issues raised by the most recent internal quality-control review, or peer review, of the auditor, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;
  - Any steps taken to deal with any such issues; and
  - All relationships between the independent auditor and the Company.
- Evaluate, annually, the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Confirm with the independent auditor that it is in compliance with applicable legal, regulatory and professional standards relating to auditor independence.
- Confirm with the independent auditor that it is a participating audit firm of the Canadian Public Accountability Board in compliance with all restrictions or sanctions imposed on it (if any).
- Provide notice to the independent auditor of every meeting of the Audit Committee.
- Approve all engagements for accounting advice prepared to be provided by an accounting firm other than the independent auditor.
- Review quarterly reports from senior management on tax advisory services provided by accounting firms other than the independent auditor.
- Review expense reports of the Chairman of the Board and the Chief Executive Officer ("CEO").
- (b) The Audit Process, Financial Statements and Related Disclosure - The Audit Committee shall:
  - Meet with senior management and/or the independent auditor to review and discuss,
    - the planning and staffing of the audit by the independent auditor,
    - before public disclosure, the Company's annual audited financial statements and quarterly financial statements, the Company's accompanying disclosure of Management's Discussion and Analysis and earnings press releases and make recommendations to the Board as to their approval and dissemination of those statements and disclosure,
    - financial information and earnings guidance provided to analysts and rating agencies: this review need not be done on a case by case basis but may be done generally (consisting of a discussion of the types of information disclosed and the types of presentations made) and need not take place in advance of the disclosure,
    - any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the selection or application of accounting principles, any major issues regarding auditing principles and practices, and the adequacy of internal controls that could significantly affect the Company's financial statements,
    - all critical accounting policies and practices used,

- all alternative treatments of financial information within GAAP that have been discussed with senior management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor,
  - the use of “*pro forma*” or “adjusted” non-GAAP information,
  - the effect of new regulatory and accounting pronouncements,
  - the effect of any material off-balance sheet structures, transactions, arrangements and obligations (contingent or otherwise) on the Company’s financial statements,
  - any disclosures concerning any weaknesses or any deficiencies in the design or operation of internal controls or disclosure controls made to the Audit Committee in connection with certification of forms by the CEO and/or the CFO for filing with applicable securities regulators, and
  - the adequacy of the Company’s internal accounting controls and management information systems and its financial, auditing and accounting organizations and personnel (including any fraud involving an individual with a significant role in internal controls or management information systems) and any special steps adopted in light of any material control deficiencies.
- Review disclosure of financial information extracted or derived from the Company’s financial statements.
  - Review with the independent auditor,
    - the quality, as well as the acceptability of the accounting principles that have been applied,
    - any problems or difficulties the independent auditor may have encountered during the provision of its audit services, including any restrictions on the scope of activities or access to requested information and any significant disagreements with senior management, any management letter provided by the independent auditor or other material communication (including any schedules of unadjusted differences) to senior management and the Company’s response to that letter or communication, and
    - any changes to the Company’s significant auditing and accounting principles and practices suggested by the independent auditor or other members of senior management.
- (c) Risks - The Audit Committee shall:
- Recommend to the Board for approval a policy that sets out the Risks philosophy of the Company and the expectations and accountabilities for identifying, assessing, monitoring and managing Risks (the “ERM Policy”) that is developed and is to be implemented by senior management.
  - Meet with senior management to review and discuss senior management’s timely identification of the most significant Risks, including those Risks related to or arising from the Company’s weaknesses, threats to the Company’s business and the assumptions underlying the Company’s strategic plan (“Principal Risks”).
  - Approve a formalized, disciplined and integrated enterprise risk management process (the “ERM Process”) that is developed by senior management and, as appropriate, the Technical Committee, to monitor, manage and report Principal Risks.
  - Recommend to the Board for approval policies (and changes thereto) setting out the framework within which each identified Principal Risks of the Company shall be managed.
  - At least semi-annually, obtain from senior management and, as appropriate, the Technical Committee, a report specifying the management of the Principal Risks of the Company including compliance with the ERM Policy and other policies of the Company for the management of Principal Risks.



- Review with senior management the Company's tolerance for financial Risk and senior management's assessment of the significant financial Risks facing the Company.
  - Discuss with senior management, at least annually, the guidelines and policies utilized by senior management with respect to financial Risk assessment and management, and the major financial Risk exposures and the procedures to monitor and control such exposures in order to assist the Audit Committee to assess the completeness, adequacy and appropriateness of financial Risk disclosure in Management's Discussion and Analysis and in the financial statements.
  - Review policies and compliance therewith that require significant actual or potential liabilities, contingent or otherwise, to be reported to the Board in a timely fashion.
  - Review the adequacy of insurance coverages maintained by the Company.
- (d) Compliance - The Audit Committee shall:
- Obtain reports from senior management that the Company's subsidiary/foreign affiliated entities are in conformity with applicable legal requirements and the Company's Code of Business Conduct and Ethics including disclosures of insider and affiliated party transactions and environmental protection laws and regulations.
  - Review with senior management and the independent 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.
  - Review senior management's written representations to the independent auditor.
  - Advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations and with the Company's Code of Business Conduct and Ethics.
  - Review with the Company's CFO legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
  - Establish procedures for,
    - the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and
    - the confidential, anonymous submission by employees of the Company with concerns regarding any accounting or auditing matters.
  - Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.
- (e) Third Party Transactions - The Audit Committee shall:
- Review for fairness to the Company proposed transactions, contracts and other arrangements between the Company and its subsidiaries and any related party or affiliate, and make recommendations to the Board whether any such transactions, contracts and other arrangements should be approved or continued. The foregoing shall not include any compensation payable pursuant to any plan, program, contract or arrangement subject to the authority of the Company's Compensation and Corporate Governance Committee.

As used herein the term "related party" means any officer or director of the Company or any subsidiary, or any shareholder holding a greater than 10% direct or indirect financial or voting interest in the Company, and the term "affiliate" means any person, whether acting alone or in concert with others, that has the power to exercise a controlling influence over the Company and its subsidiaries.

- (f) Delegation - To avoid any confusion, the Audit Committee responsibilities identified above are the sole responsibility of the Audit Committee and may not be allocated by the Board to a different committee without revisions to this Charter.

#### 12. Reporting Responsibilities

- (a) The Audit Committee shall report to the Board on a regular basis and, in any event, before the public disclosure by the Company of its quarterly and annual financial results.
- (b) The reports of the Audit Committee shall include any issues of which the Audit Committee is aware with respect to the quality or integrity of the Company's financial statements, its compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor and changes in Risks.
- (c) The Audit Committee also shall prepare, as required by applicable law, any audit committee report required for inclusion in the Company's publicly filed documents.

#### 13. Authority

The Audit Committee is authorized to retain (and authorize the payment by the Company of) and receive advice from special legal, accounting or other advisors as the Audit Committee determines to be necessary to permit it to carry out its duties.

#### 14. Annual Evaluation

Annually, the Audit Committee shall, in a manner it determines to be appropriate:

- (a) Conduct a review and evaluation of the performance of the Audit Committee and its members, including the compliance of the Audit Committee with this Charter.
- (b) Review and assess the adequacy of this Charter and the position description for its committee chairman and recommend to the Board any improvements to this Charter or the position description that the Audit Committee determines to be appropriate, except for minor technical amendments to this Charter, authority for which is delegated to the Corporate Secretary, who will report any such amendments to the Board at its next regular meeting.

### **ITEM 2: COMPOSITION OF THE AUDIT COMMITTEE**

The current members of the Committee are Andrew E. Nevin, Keir Reynolds and Mark L.P. Ferguson. Messrs. Nevin and Ferguson are considered independent. All of the current members are financially literate and have the ability to read and understand financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. "Independent" and "financially literate" have the meaning used in Multilateral Instrument 52-110 ("MI 52-110") of the Canadian Securities Administrators.

### **ITEM 3: RELEVANT EDUCATION AND EXPERIENCE**

The Instrument provides that an individual is "financially literate" if he or she has 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 reasonably be expected to be raised by the Company's financial statements.

All of the members of the Company's audit committee are financially literate as that term is defined in the Instrument. All members have an understanding of the accounting principles used by the Issuer to prepare its financial statements and have an understanding of its internal controls and procedures for financial reporting.

The members of the Audit Committee have acted as directors or officers of the following public companies which has provided them with experience relevant to the performance of their responsibility as Audit Committee Members.

### **Andrew E. Nevin**

Dr. Nevin is a fellow of the Society of Economic Geologists, a member and past director of the Society for Mining, Metallurgy and Exploration of the American Institute of Mining and Metallurgical Engineers, and a Professional Geologist in Idaho, USA and a Professional Engineer in British Columbia. He is currently a Director of GoldON Resources Ltd. and a consultant in world-wide mineral development. For the past 48 years he has contributed to the discovery and development of considerable mineral and geothermal energy wealth in Canada, US, South America, Africa and Asia, as a consultant to various governments and the Canadian International Development Agency.

### **Keir Reynolds**

In April 2011, Mr. Reynolds founded Mammoth Market Advisory Corp. that assists publicly-traded companies with their capital markets strategy. Mr. Reynolds has been involved in the mining, energy and technology sectors since 2005, and has assisted in the raising of more than \$150-million of equity for companies. He has been a Director of Enterprise Group, Inc. since July 25, 2012. Mr. Reynolds has been a Director of Indigo Exploration Inc. since December 8, 2011 and has been the Interim President of Indigo Exploration Inc. since December 14, 2011. He has been a Director of LX Ventures Inc. since March 29, 2012.

### **Mark L.P. Ferguson**

Mr. Mark L.P. Ferguson left Watson Wyatt Worldwide in 2009 as its Director of Client Development Western Canada. Prior to that he spent twelve years with Computershare (formerly Montreal Trust Company) where he reached the position of Vice President - Western Region. During his time with Watson Wyatt and subsequently Mr. Ferguson has participated in the management of several public companies and thus brings significant expertise and varied business relationships to his new duties with intensity.

#### **ITEM 4: AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor (currently, Ernst & Young LLP, Chartered Accountants) not adopted by the Board.

#### **ITEM 5: RELIANCE ON CERTAIN EXEMPTIONS**

Since the effective date of MI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of MI 52 110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of MI 52-110, in whole or in part.

#### **ITEM 6: PRE-APPROVAL POLICIES AND PROCEDURES**

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of the Instrument, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable by the Audit Committee, on a case by case basis.

**ITEM 7: EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)**

The aggregate fees charged to the Company by the external auditor in each of the last two fiscal years are as follows:

	<u>FYE 2012</u>	<u>FYE 2011</u>
Audit fees for the year ended	\$14,000	\$16,000
Audit related fees	\$280	Nil
Tax fees	Nil	Nil
All other fees (non-tax)	Nil	Nil
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Total Fees:	\$14,280	\$16,000
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**ITEM 8: EXEMPTION**

In respect of the most recently completed financial year, the Company is relying on the exemption set out in section 6.1 of the Instrument with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of the Instrument.

**SCHEDULE "B"**  
**Senator Minerals Inc.**  
**CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 Disclosure of Corporate Governance Practices the Company is required to and hereby discloses its corporate governance practices as follows.

**ITEM 1. BOARD OF DIRECTORS**

The Board of Directors of the Company facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

Andrew E. Nevin and Mark L.P. Ferguson, directors of the Company, are "independent" in that they are free from any direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of his independent judgment.

Richard Grayston is the President, CEO and Secretary of the Company and is therefore not independent.

Keir Reynolds is the CFO of the Company and is therefore not independent.

**ITEM 2. DIRECTORSHIPS**

The following director of the Company is currently a director of the following other reporting issuers:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Term</b>
Richard W. Grayston	Anacott Resources Corp.	since January 2013
	Brunello Resources Corp.	since May 2013
	Sparx Energy Corp.	since May 2013
	Teldar Resources Corp.	since January 2013
	Glenmark Capital Corp.	since November 2012
	Xtra-Gold Resources Corp.	since March 2007
	Buccaneer Gold Corp.	since November 2009
	Logan Resources Ltd.	since July 2012
Keir Reynolds	LX Ventures Inc.	since March 2012
	Glenmark Capital Corp.	since November 2012
	Indigo Exploration Inc.	since December 2011
Mark L. P. Ferguson	Glenmark Capital Corp.	since November 2012
Andrew E. Nevin	GoldOn Resources Ltd.	since October 2009

**ITEM 3. ORIENTATION AND CONTINUING EDUCATION**

The Board of Directors of the Company briefs all new directors with the policies of the Board of Directors, and other relevant corporate and business information.

**ITEM 4. ETHICAL BUSINESS CONDUCT**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the Company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

**ITEM 5. NOMINATION OF DIRECTORS**

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of the shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

**ITEM 6. COMPENSATION**

The Board of Directors conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies.

**ITEM 7. OTHER BOARD COMMITTEES**

The Board of Directors has no other committees other than the Audit Committee and the Compensation and Corporate Governance Committee.

**ITEM 8. ASSESSMENTS**

The Board of Directors monitors the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

Schedule "C"

**Rights of Dissent**

**Rights of dissenting shareholders**

**185.(1)** Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
- (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
- (c) amalgamate with another corporation under sections 175 and 176;
- (d) be continued under the laws of another jurisdiction under section 181; or
- (e) sell, lease or exchange all or substantially all its property under subsection 184(3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c.B.16, s.185(1).

**Idem**

**(2)** If a corporation resolves to amend its articles in a manner referred to in subsection 170(1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

- (a) clause 170(1)(a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
- (b) subsection 170(5) or (6). R.S.O. 1990, c.B.16, s.185(2).

**One class of shares**

**(2.1)** The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c.34, Sched.B, s.35.

**Exception**

**(3)** A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
- (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c.B.16, s.185(3).

**Shareholder's right to be paid fair value**

**(4)** In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c.B.16, s.185(4).

**No partial dissent**

**(5)** A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c.B.16, s.185(5).

**Objection**

**(6)** A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c.B.16, s.185(6).

**Idem**

(7)The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c.B.16, s.185(7).

**Notice of adoption of resolution**

(8)The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c.B.16, s.185(8).

**Idem**

(9)A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c.B.16, s.185(9).

**Demand for payment of fair value**

(10)A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares. R.S.O. 1990, c.B.16, s.185(10).

**Certificates to be sent in**

(11)Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c.B.16, s.185(11).

**Idem**

(12)A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c.B.16, s.185(12).

**Endorsement on certificate**

(13)A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c.B.16, s.185(13).

**Rights of dissenting shareholder**

(14)On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
- (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
- (c) the directors revoke a resolution to amend the articles under subsection 168(3), terminate an amalgamation agreement under subsection 176(5) or an application for continuance under subsection 181(5), or abandon a sale, lease or exchange under subsection 184(8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10), and the dissenting shareholder is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that has been endorsed in accordance with subsection (13), to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee. R.S.O. 1990, c.B.16, s.185(14).