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# BRUNSWICK RESOURCES INC.

## MANAGEMENT INFORMATION CIRCULAR ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 12, 2014

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### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of **Brunswick Resources Inc.** (the “**Corporation**») to be used at the annual and special meeting of shareholders of the Corporation (the “**Meeting**») to be held at the time, place and for the purposes set forth in the enclosed notice of Meeting (the “**Notice**”) and any adjournment thereof. Proxies may be solicited by mail, telephone, email or other personal contact by directors or officers of the Corporation. Those persons will not receive any extra compensation for those activities. The cost of such solicitation will be borne by the Corporation.

#### Appointment of Proxies

The persons named in the accompanied proxy form are directors or officers of the Corporation. **However, a shareholder has the right to appoint a person (who does not need to be a shareholder of the Corporation) other than the persons designated in the accompanied proxy form to attend and act on behalf of that shareholder at the Meeting.** To exercise this right, a shareholder should strike out the names printed on the proxy form and insert the name of the proxy of his or her own choice in the space provided for this purpose on the proxy form. Proxies must be delivered to Computershare, Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by facsimile transmission to number 1-866-249-7775, in each case no later than August 8, 2014, 5h00 p.m., or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Québec) before any adjourned Meeting. The chairman of the Meeting may waive this time limit for receipt of proxies by Computershare without notice.

A non-registered shareholder who wishes to appoint another person to represent him at the Meeting shall carefully follow the instructions of its intermediary, including those regarding when and where to send the voting instruction form or proxy is to be delivered with directions concerning the appointment of another person to represent him at the Meeting.

#### Right of Revocation of Proxies

A registered shareholder giving a proxy may revoke the proxy by instrument in writing executed by the shareholder or its agent duly authorized in writing or, if the shareholder is a corporation, by an officer duly authorized in writing, and deposited either (i) at the head office of the Corporation, the last business day before the Meeting or the date of resumption in case of adjournment, or (ii) at the office of the registrar and transfer agent of the Corporation, Computershare, Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at the latest on August 8, 2014 or the last business day preceding the date of resumption if the Meeting is adjourned, or (iii) hand over to the Chairman of the Meeting before the Meeting or any adjournment thereof.

Only registered shareholders may revoke a proxy in the manner described above. Non-registered holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the proxy on their behalf.

## **Discretionary Power Conferred by Proxies**

The common shares represented by the enclosed proxy form will be voted or withheld from voting in accordance with the instructions of the shareholder indicated on the proxy form. In the absence of any specific instructions, the common shares represented by proxies received by management will be voted **“FOR”** fixing the number of directors at five; **“FOR”** the election of the persons nominated for election as directors, as indicated under **“Election of Directors”**; **“FOR”** the appointment of the auditors and the authorization to the Board of Directors to fix their remuneration; **“FOR”** an ordinary resolution from the disinterested shareholders of the Corporation approving the option agreement among the Corporation and Explor Resources Inc. relating to the Chester property and **“FOR”** the continuation of the Corporation’s stock option plan.

**The enclosed proxy form confers discretionary authority upon the persons named therein with respect to amendment or variation to matters identified in the Notice of Meeting, and with respect to any other matter which may properly come before the Meeting.** At the date of this Circular, the directors of the Corporation are not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the persons named in the enclosed proxy form will vote on such other business in accordance with their judgment.

## **Exercise of Voting Rights by Non-Registered Shareholders**

If you are a non-registered shareholder (that is, if your shares are registered in the name of an intermediary such as a securities broker, clearing agency, financial institution, trustee or custodian), **you should carefully follow the instructions on the request for voting instructions or proxy form that you receive from the intermediary, in order to vote the shares of the Corporation that you hold with that intermediary.**

The non-registered shareholder, who wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the non-registered shareholder), should insert his own name (or such other person’s name) in the blank space provided in the request for voting instructions or proxy form to appoint himself (or such other person) as proxy holder and then follow his intermediary’s instructions for returning the request for voting instructions or proxy form.

## **Advice to Beneficial Holders of Shares**

The information set forth in this section should be reviewed carefully by the non-registered shareholders of the Corporation. Shareholders who do not hold their common shares in their own name (the **“Beneficial Shareholders”**) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If the common shares are not registered in the shareholder’s own name, they are held in the name of a “nominee”, usually a bank, trust company, securities dealer or broker or other financial institution. Applicable securities laws and regulations require nominees of Beneficial Shareholders to seek their voting instructions in advance of the Meeting. Therefore, unless a Beneficial Shareholder has previously informed its nominee that he or she does not wish to receive material relating to shareholders’ meetings, he or she will receive this Circular in a mailing from its nominee, together with a form of proxy or voting instruction form. Each nominee has its own signature and return instructions. It is important that the Beneficial Shareholder comply with these instructions if he or she wants the voting rights attached to her or his shares to be exercised. If the Beneficial Shareholder which has submitted a proxy wishes to change his voting instructions, the Beneficial Shareholder should contact his nominee to find out whether this is possible and what procedure to follow.

Neither the Corporation nor its registrar and transfer agent have a record of the names of the Beneficial Shareholders of the Corporation. If a Beneficial Shareholder attends the Meeting, neither the Corporation nor the registrar and transfer agent will have knowledge of the Beneficial Shareholder’s shareholdings or its entitlement to vote, unless the nominee has appointed the Beneficial Shareholder as proxyholder. Therefore, if you are a Beneficial Shareholder and wish to vote in person at the Meeting, you must insert your name in the space provided on the form of proxy or voting instruction form sent to you by your nominee. By doing so, you are instructing the nominee to appoint you as proxyholder. It is important that the signature and return instructions provided by the nominee are complied with. It is not necessary to otherwise complete the form as you will be voting at the Meeting.

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

### **Record Date**

The directors have fixed July 8, 2014, as the record date for purpose of determining the shareholders entitled to receive the Notice and to vote at the Meeting.

### **Voting Shares and Principal Holders Thereof**

As at the record date, there were 22,853,973 common shares of the Corporation issued and outstanding. Each common share entitles the holder thereof on record as of July 8, 2014 to one vote.

To the knowledge of the management of the Corporation, as at the date hereof, no person beneficially own, directly or indirectly, or exercises control or direction, over more than 10 % of the issued and outstanding common shares of the Corporation.

### **Interest of Certain Persons in Matters to be Acted Upon**

At the date of this Circular, to the best of its knowledge and except as disclosed this Circular, management of the Corporation is not aware of any director or executive officer, present or nominated hereunder, or any associate or affiliate of such persons, who, since the beginning of the Corporation's last financial year, has an interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

## **BUSINESS OF THE MEETING**

### **1. Financial Statements**

The audited financial statements of the Corporation for the financial year ended December 31, 2013 and the independent auditor's report thereon will be presented before the Meeting. The audited financial statements have been mailed to shareholders who have informed the Corporation that they wish to receive a copy of such documents. No vote will be taken on the audited financial statements. These financial statements were filed on SEDAR at [www.sedar.com](http://www.sedar.com). Additional copies of the financial statements may be obtained from the Corporation on request.

### **2. Fix Number of Directors to Be Elected at Meeting**

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution. At the Meeting, it will be proposed that five (5) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, the persons named in the form of proxy intend to vote "FOR" the ordinary resolution fixing the number of directors to be elected at the Meeting at five (5).**

### **3. Election of Directors**

Directors serve one year term with the full board being elected at each annual meeting. **The persons named in the enclosed proxy form intend to vote FOR the election of each of the nominees whose names are listed below, unless the shareholder has specified on his or her proxy form that his or her shares are to be withheld from voting in regard to the election of directors.** Management does not anticipate that any of the nominees for election as directors will, for any reason, become unable or unwilling to serve as a director. If that should occur for any reason prior to the Meeting, the persons named in the enclosed proxy form reserve the right to vote for another nominee of their choice.

Management proposes that the following nominees be elected as directors of the Corporation. The information on nominees has been furnished by respective nominees individually. All the nominees indicated below have been elected as directors at a previous annual meeting for which an information circular including the complete description of their occupation was sent to shareholders.

NAME, PROVINCE OF STATE AND COUNTRY OF RESIDENCE AND OFFICE HELD WITH THE CORPORATION	PRINCIPAL OCCUPATION	DATE OF ELECTION TO THE BOARD OF DIRECTORS	NUMBER OF COMMON SHARES ON WHICH CONTROL WAS EXERCISED AS AT July 8, 2014 <sup>(2)</sup>
<b>Christian Dupont</b> <sup>(1)</sup> New Brunswick, Canada Chief Executive Officer and Director	Mining Engineer, President and Chief Executive Officer of Explor Resources Inc. since October 2005 and of the Corporation since December 2013	December 2013	2,002,333
<b>Rodrigue Tremblay</b> Québec, Canada Chief Financial Officer and Director	Chief Financial Officer of Explor Resources Inc. and of the Corporation since April 2014.	March 2010	1,119,002 <sup>(3)</sup>
<b>Geoffrey Carter</b> <sup>(1)</sup> Ontario, Canada Director	Mining Engineer. Director of Explor Resources Inc. since January 2008	December 2013	0
<b>Mario Colantonio</b> <sup>(1)</sup> Ontario, Canada Director	Civil Engineer. Director of Explor Resources Inc. since May 2009	December 2013	0
<b>Laurent Hallé</b> Québec, Canada Director	Geologist, Self-employed consultant.	March 2010	25,000

(1) Member of the Audit Committee.

(2) On a non-diluted basis.

(3) 1,000,002 of the common shares are held directly by 9116-6801 Québec inc., a company controlled by Rodrigue Tremblay.

**Penalties, Sanctions, Cease Trade Orders or Bankruptcies:** Except as disclosed hereunder, no proposed director is as at the date hereof, or has been within the last ten years of the date hereof, a director or executive officer of any Corporation (including the Corporation) that, while he was acting in such capacity: (i) was the subject of a cease trade or similar order, or an order that denied the relevant Corporation access to any exemption under securities legislation for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or officer ceased to be a director or officer, in the Corporation being the subject of a cease trade or similar order or an order that denied the relevant Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days; (iii) 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; (iv) was subject to penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (v) was subject to any other penalties or sanctions imposed by a court or regulatory body. No proposed director has, within ten years before the date hereof, 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.

Rodrigue Tremblay and Christian Dupont have been directors of Treegenic Gold Corporation until January 2010. The Autorité des marchés financiers du Québec issued a cease trading order on the shares of this reporting issuer on September 28, 2004 in reason of the default of filing the financial statements required under the Securities Act (Quebec), which was revoked in March 2013. Rodrigue Tremblay has been a director of Lounor Exploration Inc. since September 2005 and Laurent Hallé since December 2012. The Autorité des marchés financiers du Québec issued a cease trading order on the shares of this reporting issuer on October 4, 2013 in reason of the default of filing the financial statements required under the Securities Act (Quebec). Lounor Exploration Inc. has filed a proposal under the *Bankruptcy and Insolvency Act* on July 22, 2013, amended on August 16, 2013, November 4, 2013 and June 2, 2014.

#### 4. Appointment of Auditors

Dallaire & Lapointe Inc. of Rouyn-Noranda, Quebec, have been the auditors of the Corporation since its financial year ended December 31, 2009. Management proposes that Dallaire & Lapointe Inc. be reappointed as the auditors of the Corporation for the financial year ending December 31, 2014 and that the Board of Directors be authorized to fix their remuneration.

**The persons named in the enclosed proxy form intend to vote FOR the reappointment of Dallaire & Lapointe Inc. as auditors of the Corporation and the authorization to the Board of Directors to fix their remuneration unless the shareholder specifies that his or her proxy form be withheld from voting thereon.**

#### 5. Approval of an Option Agreement with Explor Resources Inc. Pertaining to the Chester Property

##### *General*

On April 17, 2014, the Corporation entered into a letter of intent with Explor Resources Inc. (“**Explor**”) setting the general terms pursuant to which the Corporation shall have the right and option to acquire a 100% interest in a copper property located in the province of New-Brunswick, as described below (the “**Chester Property**”). On June 5, 2014, Brunswick and Explor have amended the letter of intent. Upon the approval of disinterested shareholders of the Corporation and of Explor’s disinterested shareholders, Explor and the Corporation will sign a definitive option agreement for the acquisition of the Chester Property by the Corporation, the main terms of which are described below (the “**Option Agreement**”).

##### *Background*

At its annual and special meeting of shareholders held on December 19, 2013 (the “**2013 Meeting**”), shareholders of the Corporation have elected new directors and have approved a resolution authorizing the Corporation to change its name from Z-Gold Exploration Inc. to Brunswick Resources Inc. The Corporation filed a certificate of amendment with the registrar of corporations of Alberta to change its name to Brunswick Resources Inc. on April 24, 2014 and obtained the approval of the TSX Venture Exchange to its new name and symbol (BRU) on May 14, 2014. After the 2013 Meeting, the new management decided to acquire properties of merit with existing resources and significant exploration potential. With the proposed acquisition of the Chester Property, the Corporation will hold two properties of merit, a gold property sitting within the Abitibi Greenstone Belt (the Abitibi Gold property located in northeastern Ontario) and a base metal property (the Chester Property), containing a volcanogenic massive sulphide (VMS) and a copper resource. Management continues to evaluate the acquisition of properties at an advanced stage of exploration in the Abitibi Greenstone Belt and the Bathurst Mining Camp, which will increase shareholder value.

##### *Description of the Chester Property*

The Chester Property is located in Northumberland County, 70 km southwest of Bathurst and 50 km west-northwest of Miramichi, in the Province of New Brunswick, within the Bathurst Mining Camp. This area has an extensive history in base metal production from VMS deposits. The Chester Property consists of 19 contiguous mineral claim units covering a total area of approximately 1,276 hectares.

The Chester deposit was originally discovered in the mid-1950s and it has undergone numerous exploration and delineation drilling programs. The Chester Property hosts several small zinc-copper massive sulphide deposits which are underlain by an extensive copper-bearing Stringer zone. An underground drift, totaling approximately 470 m, was driven in 1974-75 to evaluate the nature of the mineralization in the Stringer zone. At that time, a small amount of material was extracted from this drift and processed at the nearby Nigadoo River Mine owned by the Sullivan Group of Val d’Or, Québec. During the period from 2002 through 2008, a portion of the Chester Property was owned by First Narrows Resources Corp. which drilled a total of 198 holes on the Chester Property. The primary objective at that time was to delineate the upper portion of the Stringer zone of the deposit in order that commercial production could be initiated. Current economic viability has not been demonstrated. This work culminated in the generation of a mineral resource estimate that was originally described in a 2008 NI-43-101 technical report that was completed by Robert Sim, P. Geo. and was filed on SEDAR under First Narrows Resources Corp.’s profile in 2008.

Explor commissioned Robert Sim, P.Geol. in March 2014, to provide an updated technical report for the Chester Property in compliance with National Instrument 43-101 (the “**revised Technical Report**”). Mr. Sim is a Qualified Person within the meaning of National Instrument 43-101 and is independent from Explor and from the Corporation. There has been no drilling or other work completed by the subsequent owners of the Chester Property since 2008 that could affect the resource estimate and, therefore, the 2008 model remains valid for the Chester Property. The 2008 resource considered only an underground mining scenario for the project. The updated statement of mineral resources has been altered to reflect current metal prices and has been evaluated considering a combination open pit and underground extraction options. The effective date of the resource estimate presented in the revised Technical Report is March 7, 2014. The revised Technical Report was filed on SEDAR under Explor’s profile on April 17, 2014.

The revised Technical Report includes mineral resource estimates for the Stringer zone mineralization on the Chester Property. The resource estimate has been generated using drill hole sample assay results and the interpretation of a geologic model which relates to the spatial distribution of copper and minor constituents of zinc and silver. Interpolation characteristics have been defined based on the geology, drill hole spacing, and geo-statistical analysis of the data. The resources have been classified by their proximity to the sample locations and are reported, as required by National Instrument 43-101, according to the *CIM Definition Standards on Mineral Resources and Mineral Reserves*.

Extensive analysis of the drill sample database shows that it is sound and reliable for the purposes of resource estimation. The resource model has been developed in accordance with accepted industry standards resulting in a mineral resource defined within the Measured, Indicated, and Inferred categories.

As required under National Instrument 43-101, “reasonable prospects of economic viability”, has been demonstrated assuming a combination of open pit and underground extraction options. An open pit cut-off grade of 0.5% copper and an underground cut-off grade of 2% copper are considered appropriate based on assumptions derived from operations with similar characteristics, scale and location. It is important to realize that the mineral resources listed in below table are not mineral reserves as the economic viability has not been demonstrated. Note that resources in the Inferred category are primarily based on older drilling that does not have sufficient analysis for zinc and silver to support reliable resource grades for these elements.

**MINERAL RESOURCE ESTIMATE – CHESTER DEPOSIT (MARCH 7, 2014)**

<b>Class</b>	<b>Cut-off (Cu%)</b>	<b>Ktonnes</b>	<b>Cu (%)</b>	<b>Zn (%)</b>	<b>Ag60</b>
<b>In-Pit</b>					
Measured	0.5	101	1.87	0.14	6.7
Indicated	0.5	1,296	1.34	0.06	3.3
Measured and Indicated	0.5	1,397	1.38	0.06	3.5
Inferred	0.5	2,060	1.25	n/a	n/a
<b>Below Pit</b>					
Inferred	2.0	29	2.33	n/a	n/a
<b>Combined</b>					
Measured	0.5	101	1.87	0.14	6.7
Indicated	0.5	1,299	1.34	0.06	3.3
Measured and Indicated	0.5	1,400	1.38	0.06	3.5
Inferred	Variable	2,089	1.26	n/a	n/a

*Terms of the Option Agreement*

Pursuant to the Option Agreement, the Corporation will have the sole and exclusive right and option, over a three year period, to acquire an interest of 100% in the Chester Property for the following considerations: (i) payment of \$40,000 to Explor, of which \$10,000 upon signature of the Option Agreement and the remaining by annual instalments of \$10,000 over a three year period; (ii) payment to the previous owners of the Chester Property pursuant to option agreements amongst them and Explor of a total amount of \$100,000, of which \$50,000 on or before February 26, 2015 and the balance on or before February 26, 2016; (iii) issuance to Explor of a total of 5,000,000 common shares of the Corporation, of which 1,000,000 shares upon signature of the Option Agreement and the remaining 4,000,000 shares in tranches of 1,333,333 shares over a three year

period, except for the last issue of 1,333,334 shares; and (iv) execution of exploration work on the Chester Property for an amount of \$500,000, of which at least \$100,000 within the first year, \$200,000 within the second year and \$200,000 within the third year.

A part of the Chester Property is subject to a 1% net smelter return (NSR) royalty in favor of previous owners and to an additional 1% NSR royalty on certain claims and another part of the Chester Property is subject to a 2% NSR royalty in favor of the previous owners.

Following the issuance of 1,000,000 common shares of the Corporation to Explor upon signature of the Option Agreement, Explor will hold 4.2 % of the Corporation's outstanding common shares as at the date of this Circular. On a non-diluted basis, if no other common share of the Corporation would be issued upon exercise of outstanding or further warrants or stock options or pursuant to acquisition agreements or option for the acquisition of other mining properties or pursuant to private or public placements of the Corporation to finance work on its mining properties and for its general working capital requirements, the total number of 5,000,000 common shares of the Corporation that could be issued to Explor on a three-year period pursuant to the Option Agreement would represent 18.0% of the outstanding common shares of the Corporation as at the date of this Circular. The Corporation is planning to acquire other mining properties and to finance exploration work on those properties and on the Chester Property by the issuance of common shares from its capital in the following year.

#### *TSX Venture Exchange Requirement for Disinterested Shareholder Approval*

The transaction contemplated in the Option Agreement between Explor and the Corporation involves non-arm's length parties, as Christian Dupont and Rodrigue Tremblay are officers of both Explor and the Corporation and Mario Colantonio and Geoffrey Carter are directors of both Explor and the Corporation. Furthermore, the transaction is a fundamental acquisition for the Corporation pursuant to Policy 5.3 of the TSX Venture Exchange. Accordingly, the Option Agreement must be approved by a majority of the votes of the disinterested shareholders of the Corporation, being the shareholders of the Corporation, other than the directors, the officers and any other insider of the Corporation and any associates of such persons and Explor and its directors, officers and any other insider and any associates of such persons.

**The persons named in the enclosed proxy form intend to vote FOR the ordinary resolution approving the Option Agreement among the Corporation and Explor for the acquisition of the Chester Property by the Corporation unless the shareholder specifies that his or her proxy form be voted against this resolution.**

#### **6. Stock Option Plan of the Corporation**

Shareholders will be asked to approve the continuation of the Corporation's Stock Option Plan pursuant to which 10% of the Corporation's issued and outstanding shares are set aside and reserved for stock options on a rolling basis. The Stock Option Plan of the Corporation was approved by the shareholders of the Corporation at the annual and special meeting of shareholders held on February 26, 2010 and has not been modified since that date.

#### **7. Other Business**

Management of the Corporation is not aware of any other matters to come before the Meeting, other than those set out in the Notice of the Meeting or in this Circular. If other matters come before the Meeting, it is the intention of the person's name in the accompanied form of proxy to vote the same in accordance with their best judgment.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation of the Named Executive Officers

The following section provides information on the compensation paid or payable to the President, Chief Executive Officer (“**CEO**”) and Chief Financial Officer (“**CFO**”), being the Corporation’s “*Named Executive Officers*” (“**NEO**”) as this term is defined in *Form 51-102F6 Statement of Executive Compensation* under *National Instrument 51-102 respecting continuous disclosure obligations*. For the year ended December 31, 2013, the Corporation had two Named Executive Officers, being Rodrigue Tremblay, President and CEO until December 19, 2013 and Jacques Frigon, CFO. After the annual and special meeting of the shareholders of the Corporation held on December 19, 2013, Mr. Christian Dupont became the new CEO of the Corporation. Mr. Jacques Frigon resigned as CFO as of March 10, 2014 and Mr. Rodrigue Tremblay was appointed the new CFO of the Corporation.

### Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, to the NEOs for the financial years ended December 31, 2011, 2012 and 2013.

Name and Principal Position	Year ended December 31	Salary (\$)	Option-based awards <sup>(2)</sup> (\$)	All other compensation (\$)	Total compensation (\$)
Rodrigue Tremblay <sup>(1)</sup> President and CEO until December 19, 2013	2013	Nil	Nil	Nil	Nil
	2012	60,000	10,500	Nil	70,500
	2011	60,000	Nil	Nil	60 000
Jacques Frigon CFO	2013	Nil	Nil	Nil	Nil
	2012	Nil	1,500	Nil	1,500
	2011	Nil	Nil	Nil	Nil
Christian Dupont <sup>(3)</sup> CEO since December 19, 2013	2013	Nil	Nil	8,430	8,430
	2012	Nil	Nil	9,250	9,250
	2011	Nil	Nil	Nil	Nil

\*Columns (d) (f) and (g) of the Form 51-102A6 are not relevant and have been excluded

#### Notes:

- (1) This compensation indicated under “Salary” represents the aggregate amounts paid to a private company held by the President and CEO as management consultant fees.
- (2) Option-based award amounts are fair value estimates of options granted during the year, calculated at the date of the grant, using the Black-Scholes pricing model. There were no stock options granted in 2011 and in 2013. The fair value was \$0.015 per option in 2012.
- (3) This amount represents professional engineering fees paid to a private company controlled by Mr. Dupont.

The Board of directors of the Corporation (the “**Board**”) has no compensation committee. Considering its actual small size, the Board assumes the responsibility to establish the objectives of the Corporation’s executive compensation program which are to attract, motivate, engage and retain qualified, high performance individuals and to meet performance objectives designed to increase shareholder returns. The Board: (i) establishes the objectives that will govern the Corporation’s compensation program for the NEOs and the directors; (ii) oversees and approves the compensation and benefits to the NEOs; (iii) oversees the Corporation’s stock option plan; and (iv) promotes the clear and complete disclosure to shareholders of material information regarding executive compensation.

### Compensation Process and Objectives

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for the NEOs. The Board reviews the NEOs compensation on an annual basis and, in doing such task, it evaluates the NEOs achievements during the preceding year. The Corporation has not retained any third



party advisors to conduct compensation reviews of its competitors' pay levels and practices. The Corporation is an exploratory stage mining company and is not generating, nor expecting to generate revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board to be appropriate in the evaluation of corporate of NEOs performance. The compensation of the senior officers is based, in substantial part, on industry compensation practices, trends in the mining industry as well as achievement of the Corporation's business plans. An important element of the compensation is the grant of stock options, which does not require cash disbursement from the Corporation.

Currently, the compensation arrangements for the Corporation's NEOs are composed of two components: (i) the payment of an amount in cash to the CEO as consulting fees; and (ii) the grant of stock options. A competitive remuneration is aimed to attract and retain skilled persons necessary to achieve corporate objectives. The grant of stock options is aimed to motivate and reward senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives.

The Corporation does not offer benefit programs, such as life insurance and health and dental benefits. Where NEOs receive other perquisites (such as car allowances or company vehicles), they reflect competitive practices, business needs and objectives.

#### *Consulting Fees*

The cash amount paid to the CEO on a consulting fee basis is reviewed annually by the Board to ensure it reflects a balance of market conditions, the level of responsibilities, the skill and competencies of the individual, retention considerations as well as the level of demonstrated performance. The basic hourly rate payable for professional services payable to the CEO is set by the Board on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the President and CEO to the Corporation's long-term growth and the Board members' knowledge of remuneration practices in Canada.

#### *Stock Options*

The Corporation has implemented a stock option plan (see "**Securities Authorized for Issuance under Equity Compensation Plans**" elsewhere in this Circular) to provide its officers, including NEOs, directors, employees and consultants with a long-term incentive for performance and commitment to the Corporation.

The Corporation believes that participation by the NEOs and directors in the stock option plan aligns their interests with those of the Corporation's shareholders, as the NEOs and directors are rewarded for the Corporation's performance as evidenced by share price appreciation. In determining the number of options to be granted, the number and term of options previously granted, individual and team responsibilities and functions, position, individual performance and projected contribution are considered. Management proposes the number of options and names of the optionees and the Board reviews and approves the grant and sets the exercise price (based on the current market price of the Corporation's shares on the TSX Venture Exchange) and the expiry date.

#### **Incentive Plan Awards**

The following table sets forth, for each NEO, all option-based awards outstanding as at December 31, 2013. There are no share-based awards for any director or officer of the Corporation and the Corporation did not grant any option-based awards to any of its NEOs during its last financial year.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)
Rodrigue Tremblay, CEO until December 19, 2013	700,000	\$0.10	09-17-2015	0
Jacques Frigon, <sup>(2)</sup> CFO	100,000	\$0.10	06-10-2014	0
Christian Dupont, CEO since December 19, 2013	Nil	--	--	--

**Notes:**

- (1) The value of unexercised in-the-money options is calculated using the closing market price of the Corporation's common shares on the TSXV on the last day of transactions in December 2013, which was \$0.06, less the respective exercise prices of the options.
- (2) Mr. Jacques Frigon resigned on March 10, 2014. His options expired on June 10, 2014.

The following table shows the Option-Based Awards value vested for each NEO for the year ended December 31, 2013.

Name	Option-Based Awards - Value Vested During the Year <sup>(1)</sup> (\$)
Rodrigue Tremblay	0
Jacques Frigon	0
Christian Dupont	0

- (1) There was no stock options that have been vested during the year ended December 31, 2013.

**Pension and Retirement Plans**

The Corporation does not have any pension plan that provides for payments or benefits at, following, or in connection with retirement of any officer.

**Termination and Change of Control Benefits**

There are no contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the NEO's responsibilities.

**Directors' Compensation**

During the year ended December 31, 2013, the Corporation did not pay any cash remuneration to its directors for their services in such capacity.

The following table indicates all awards to the Corporation's directors, except the NEOs, outstanding as at December 31, 2013. There are no share-based awards for any director or officer of the Corporation and the Corporation did not grant any option-based awards to any of its directors during its last financial year.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>
Laurent Hallé	100,000	0.10	2015-09-17	0

- (1) The value of unexercised in-the-money options is calculated using the closing price of the common shares of the Corporation on the TSX Venture Exchange on the last trading day of December 2013 (\$0.06), less the respective exercise prices of the options.
- (2) Mr. Jean Roy has resigned from the Board on April 30, 2013. His options have expired as of July 30, 2013.
- (3) Mr. Carter and Mr. Colantonio were elected as directors at the last annual meeting of shareholders held on December 19, 2013. They were not granted any stock options during the year ended December 31, 2013.

The following table shows the Option-Based Awards value vested for each director, except the NEOs, during the year ended December 31, 2013.

Name	Option-Based Awards - Value Vested During the Year (\$) (1)
Laurent Hallé	0
Jean Roy	0
Geoffrey Carter (2)	0
Mario Colantonio (2)	0

(1) There were no stock options that have vested during the year ended December 31, 2013.

(2) Mrs. Carter and Colantonio were elected as directors at the last annual meeting of shareholders held on December 19, 2013. They were not granted any stock option during the year ended December 31, 2013.

### Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at December 31, 2013, which is the end of the Corporation's most recently completed financial year.

Plan Category	Number of Securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Number of securities remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column (1))
Equity compensation plans approved by securityholders	1,300,000	\$0.10	588,540
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

Pursuant to its current stock option plan approved by the shareholders at the annual and special meeting held on February 26, 2010 (the "**Stock Option Plan**"), the Corporation may, from time to time, grant to eligible directors, officers, employees and consultants of the Corporation or of a management company employee, options to acquire common shares of the Corporation in such number, at such exercise prices, and for such terms as may be determined by the Board, subject to a limit of 10% of the total issued and outstanding Common Shares, from time to time. As of December 31, 2013, the Corporation had options outstanding to acquire a total of 1,300,000 Common Shares, representing less than the 10% outstanding Common Shares.

The maximum number of common shares which may be reserved for issuance to any one person pursuant to stock options during a twelve-month period may not exceed 5% of the common shares outstanding at the time of grant (on a non-diluted basis). No more than 2 % of the issued shares of the Corporation may be granted to any one consultant in any 12 month period. No more than 2 % of the issued shares of the Corporation may be granted to a person conducting investor relations activities in any 12 month period. The Board may determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise price shall not be less than the market price of the Common Shares on the TSX Venture Exchange, or such other exchange on which the Common Shares are listed, less the maximum discount permitted under the policies of the Exchange.

All options must be exercised no later than 10 years from the date of the grant and they are not transferable other than by will or by the laws of descent and distribution. If a participant to the Stock Option Plan ceases to act as such for any reasons except for cause, such participant shall have the right for a reasonable period (to be determined by the Board) following the date on which such person ceased to be a participant under the Stock Option Plan to exercise the options with respect to all options shares of such participant to the extent they were exercisable on the date of ceasing to be a participant. In the event of the death of a participant, his legal representatives shall have a period of one year from this death to exercise the rights of the deceased participant.

## **Indebtedness of Directors and Executive Officers**

During the financial year ended December 31, 2013, and as at the date of this Circular, none of the directors, executive officers, employees or previous directors, executive officers or employees of the Corporation was indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

## **Interests of Management of the Corporation and Others in Material Transactions**

To the knowledge of the executive officers of the Corporation, except what is disclosed elsewhere in this Circular and in the annual financial statements of the Corporation for the financial year ended December 31, 2013, (refer to Note 9 “Related Party Transactions”), no insider or proposed director of the Corporation, nor any associate or affiliate of any informed person or proposed director, has or had, directly or indirectly, any material interest in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

## **AUDIT COMMITTEE INFORMATION**

*National Instrument 52-110 respecting Audit Committees (“NI- 52-110”)* requires the Corporation, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

### **Audit Committee Mandate and Terms of Reference for Chair**

The mandate and responsibilities of the audit committee of the Corporation (the “Audit Committee”) is attached hereto as Schedule “A”.

### **Composition and Relevant Education**

The Audit Committee is presently composed of Christian Dupont, CEO, Geoffrey Carter and Mario Colantonio. Mrs. Carter and Colantonio are independent members of the Audit Committee and Mr. Dupont is a non-independent member due to his role as Chief Executive Officer of the Corporation. A director is “independent” if he has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member’s independent judgment.

The Board of Directors has determined that each of the three members of the Audit Committee is “financially literate” within the meaning of NI-52-110, that is, each member 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 Corporation’s financial statements.

#### *Geoffrey Carter*

Mr. Carter is a mining engineer and has a B.Sc. degree in mining engineering from the University College Cardiff, University of Wales, Cardiff, Britain. Mr. Carter is a member of the Association of Professional Engineers of Manitoba. Since 1991, Mr. Carter has been employed by Broad Oak Associates, an association of mining industry professionals who assist in the preparation of technical reports and feasibility studies and the facilitation of corporate finance activities. Mr. Carter has been active in the mining industry since the late 1960s. He has held positions with Anglo American plc, Hudson Bay Mining & Smelting Co. Limited, Inspiration Mining Corporation (Vice-President). Mr. Carter has been a director and President of Ourominas Minerals Inc., director of Bankers Petroleum Ltd. and Trans Atlantic Enterprises Inc and has been a director of Explor Resources Inc. since January 2008.

### *Christian Dupont*

Mr. Dupont is a mining engineer and has a B.Eng. Degree from Nova Scotia Technical College, Halifax, Nova Scotia. Mr. Dupont has been active in the mining industry since the early 1970's. Mr. Dupont has occupied several positions in the mining field. He has been senior mining engineer for Noranda and Chief Engineer for Exall Resources Inc. Mr. Dupont was also president and director of Kayorum Gold Mines Ltd., from 1992 to 1997 and vice-president of the same company in 1998. Between 1997 and 1998, he was also a director of Fieldex Exploration Inc. From 1997 to 2001, he was responsible of project management for Luzenac Inc., and from 2001 to 2006 he was vice-president and director of TOM Exploration Inc. From December 2010 to November 2013, he has been a director of Abcourt Mines Inc. and has been a director and President of Explor Resources Inc. since October 2005.

### *Mario Colantonio*

Mr. Colantonio is a professional engineer and has been active in the mining industry since the mid 1980's. He received a B.SC. degree in civil engineering from Queen's University, Kingston, Ontario in 1985. His primary focus has been the engineering and management for capital and maintenance projects for mine/mill infrastructures including feasibility studies. He has held senior engineering management positions for AMEC and is presently president of a privately owned engineering consulting firm. Mr. Colantonio has been a director of Explor Resources Inc. since May 2009.

### **Audit Committee Oversight**

At no any time since the commencement of the Corporation's financial years ended December 31, 2013, a recommendation of the Audit Committee to nominate or compensate an external auditor was not adopted by the Board of Directors of the Corporation.

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

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Corporation by its external auditors.

### **Reliance on Certain Exemptions**

As a venture issuer, the Corporation is relying upon the exemption in section 6.1 of NI-52-110 in respect of the composition of its Audit Committee and in respect of some of its reporting obligations under this Instrument.

### **External Auditor Service Fees**

		Years ended December 31,	
		2013	2012
a)	Audit Fees <sup>(1)</sup>	\$28,090	\$29,565
b)	Audit-related Fees <sup>(2)</sup>	\$0	\$0
c)	Tax Fees <sup>(3)</sup>	\$3,865	\$2,390
d)	All Other Fees <sup>(4)</sup>	\$0	\$0

(1) Corresponds to the aggregate fees billed by the Corporation's external auditor for audit services provided to the Corporation.

(2) Corresponds to the aggregate fees billed by the Corporation's external auditor for assurance and related services provided to the Corporation that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under item « Audit Fees».

(3) Corresponds to the aggregate fees billed by the Corporation's external auditor for professional services provided to the Corporation regarding tax compliance, tax advice and tax planning.

(4) Corresponds to the aggregate fees billed by the Corporation's external auditor for products and services provided to the Corporation other than the services reported under items « Audit Fees», « Audit-Related Fees » and « Tax Fees».

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The following table describes the Corporation's approach to corporate governance with reference to *National Instrument 58-101 respecting Disclosure of Corporate Governance Practices* ("NI-58-101") for venture issuers.

The Corporation believes that its practices are adequate and efficient for its organization as well as for its "junior" exploration Corporation status. The matters pertaining to the corporate governance practices are

studied by the Board of Directors.

Composition of the Board	The Board of Directors (the "Board") consists of five members, of which three are independent directors as this term is defined in NI-58-101. Christian Dupont and Rodrigue Tremblay are not considered independent due to their respective positions as President and CEO and as CFO.
Directorships	The directors who are presently also directors of other reporting issuers are: - Rodrigue Tremblay, director of Lounor Exploration Inc. - Laurent Hallé, director of Lounor Exploration Inc. - Christian Dupont, director of Explor Resources Inc. - Mario Colantonio, director of Explor Resources Inc. - Geoffrey Carter, director of Explor Resources Inc.
Orientation and Continuing Education	The Board does not currently have a formal orientation program for new directors. The Board briefs all new directors on the policies of the Board and other relevant corporate and business information.
Ethical Business Conduct	The Board does not have a written code of ethics and conduct for the directors and officers. The Corporation has no employees. All of the directors are required to act and carry out their duties honestly and in good faith with a view to the best interest of the Corporation. The Corporation requests that all its directors act according to the laws and rules where they are governed. Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions. All Board members have solid track records in spheres ranging from finance to exploration in order to ensure a culture of ethical business conduct.
Nomination of Directors	The Board does not have a nominating committee. The current size and composition of the Board allow the entire Board to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences and ability to devote the required time.
Compensation Committee	The Board does not have a compensation committee. The current size of the Board allows the entire Board to take responsibility for considering compensation for the Corporation's executive officers and directors. The Corporation compensates its directors by the grant of stock options and only the President and Chief Executive Officer is paid management and consultant fees for services rendered to the Corporation.
Other Board Committees	The Corporation does not have any standing committees other than the Audit Committee.
Board Assessments	The Board is responsible for assessing its effectiveness as well as that of individual directors. The Board considers the mix of skills and experience that directors bring to the Corporation to assess whether they have the necessary skills to perform their function effectively.

## DIRECTORS' APPROVAL

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

July 9, 2014

*(S) Christian Dupont*

Christian Dupont  
President and Chief Executive Officer

## SCHEDULE "A"

### BRUNSWICK RESOURCES INC. (the "Corporation")

#### AUDIT COMMITTEE CHARTER

This Charter was adopted in conformity with *National Instrument 52-110 on the Audit Committee* ("Ni-52-110"). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee (hereinafter described as the "Audit Committee" or the "Committee") and describes the qualifications and status required to become a member. The Committee reviews its charter periodically and, as required, makes recommendations to the Board of Directors (hereinafter described as the "Board of Directors" or the "Board") as to any changes to be made.

#### I. Overall Purpose - Role of Audit Committee

The Committee is a committee of the Board to whom the Board has delegated the responsibility of reviewing the financial reporting process. The Audit Committee has a general mandate to assist the Board in fulfilling its responsibilities with regard to the financial information of the Corporation and its accounting practices, mainly in the process of reporting and disclosure. In this context, the Committee:

- ensures the reliability and the integrity of the Corporation's financial statements and financial information, as well as other information made public by the Corporation;
- supervises the management of accounting systems and internal controls;
- assists in ensuring proper communications between the directors and the external auditors;
- supports the independence of the external auditors;
- supports the duties of the external directors in facilitating in-depth discussions between the directors members of the Audit Committee, Management and the external auditors;
- supervises the activities of the external auditors appointed to carry out an audit or to perform other related services; and
- recommends to the Board the appointment of the external auditors and their remuneration.

The Committee has the authority to examine and make recommendations on any question brought to its attention. The Committee, in carrying out this mandate, has access, upon request, to all relevant information concerning the Corporation's operations, whether this information is in the hands of the Corporation, a subsidiary or a related person.

The Committee may, at his own discretion, use the services of outside consultants.

#### 2. Committee Responsibilities - Audit

In general, the Committee's mandate is to supervise the reporting and disclosure processes of the Corporation and to report on its activities to the Board.

The Committee must ascertain that adequate procedures are in place to review the public disclosure by the Corporation of financial information extracted or derived from its financial statements and must periodically assess the adequacy of these procedures.

The Committee must establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the Corporation, if any, of concerns regarding questionable accounting or auditing matters.

And, more particularly,

## **2.1 Financial Statements, Notes, Management Reports and Press Releases**

2.1.1 The Committee examines the interim financial statements and the audited financial statements at year-end before making them public, as well as the documents prepared for electronic deposit with regulatory authorities. The Committee may make whatever changes it deems necessary to the financial statements. Otherwise, the Committee recommends the approval of these financial statements by the Board.

2.1.2 The Committee examines the notes to the financial statements and all management reports accompanying the financial statements distributed to the shareholders and/or to the regulatory authorities, as well as press releases issued along with the financial statements, notes and related comments. The Committee makes all the modifications deemed necessary to these documents. Otherwise, it recommends the approval of these documents by the Board.

## **2.2 External Auditors**

2.2.1 The Committee makes recommendations to the Board with regard to the selection of external auditors, their remuneration and their reappointment, as the case may be. It reviews the audit plan with the external auditors and defines the specific needs of the Committee. The Committee receives the auditors' report with the accompanying notes.

2.2.2 The Committee meets with the external auditors before the beginning of their mandate and, at this meeting, examines and approves the scope of the audit plan as well as the audit fees allocated to the work to be done.

2.2.3 At that time, the Committee analyzes the external auditors' independence, reviews services other than audit services to be performed by the external auditors and determines if the nature and extent of these services may or may not be prejudicial to their independence. The Committee reviews and approves the hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

2.2.4 The Committee also meets with the external auditors at the meeting planned for the examination of the year-end audited financial statements and, on this occasion, receives the post-audit report that will mainly deal with:- The acceptability and quality of the Corporation's accounting principles;

- The quality of the accounting systems and internal controls put in place by Management to ensure the integrity of the accounting and financial information;
- The recommendations made by the auditors to Management with respect to the accounting systems and internal controls, and Management's response thereto;
- The assessment of the measures put in place to deal with the risks faced by the Corporation when, in the auditors' opinion, certain factors could have a material impact on the results of the Corporation; and
- The difficulties encountered by the external auditors in the course of their mandate, in particular any restrictions imposed by Management or serious accounting questions over which they disagreed with Management.

2.2.5 At these meetings, the Audit Committee may meet with the auditors, out of the presence of the Corporation's Management and the internal directors. In fact, the Committee has direct access to the external auditors and Management and may hold private and informal discussions with each of the parties, whenever deemed



- opportune in carrying out their mandate.
- 2.2.6 Also, the Management of the Corporation and the external auditors may, if necessary, ask to meet the members of the Committee to review with them all transactions, procedures or other questions which, in their opinion, are relevant to the mandate of the Committee.
- 2.2.7 The Audit Committee must approve, in advance, all the services that are not related to the audit that the external auditors do for the Corporation and its subsidiaries.
- 2.2.8 The Committee examines the conditions of the mandate of the external auditors and verifies that the fees are appropriate and reasonable for the audit and approves unpaid fees.
- 2.2.9 The Committee is in charge of resolving disagreements between the management of the Corporation and the external auditors concerning the financial reporting.

### **3. Responsibilities of the Committee - Conflicts of Interest**

Every year or more often, as required, the Committee examines:

- 3.1 Any situation that has been brought to its attention that may cause a conflict of interest and, more particularly, the approval of the financial conditions applicable within the framework of contracts with persons or companies related to or affiliated with the Corporation, to ensure that these contracts are as advantageous to the Corporation as if they had been negotiated with other parties.
- 3.2 Any eventual violation of a contract that is brought to its attention and which could have an impact on the financial statements.

### **4. Appointment of Auditors - Other Resources**

In performing its duties, the Committee may hire all necessary resources.

Each year, after having verified the qualifications of the incumbent or potential auditors, the Committee must recommend to the Board the appointment of external auditors. At its first meeting of the year in March, the Committee must consider whether it is appropriate, for the next fiscal year, to proceed with a call for tenders from various auditing firms or to renew the mandate of the auditors in place.

If Management proposes a change of external auditors, the Committee must be informed of the reasons for such a change and, in all cases, approve the information to be made public in accordance with the regulations.

### **5. Composition**

The Audit Committee consists of a minimum of three directors appointed by the Board at the first meeting following the annual general meeting of the shareholders.

The members of the Committee are in majority independent directors, as defined in Rule 52-110. All members of the Committee are financially literate.

At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

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

**6. Chairman of the Committee**

The Chairman of the Committee is selected by the members of the Committee unless he is appointed by the Board; in the case of absence, unavailability or if he vacates his post, the chairmanship will be assumed by a member chosen by the Committee.

**7. Number of Meetings**

The Committee will meet at least four (4) times per year or more, if necessary. Meetings can be held by conference call.

A member of the Committee may convene a special meeting.

**8. Organization**

The Committee appoints a Secretary.

Before each Committee meeting, the Secretary distributes a written agenda to the members. The Secretary will also maintain minutes of each meeting.

**9. Quorum and Decisions**

A majority of Committee members shall constitute a quorum.

Provided there is a quorum, decisions are made by a vote of the majority of the members present.

**10. Report**

The Committee reports to the Board of Directors. The minutes of a Committee meeting constitute a report in itself.