

ATOM ENERGY INC.

Suite 830 – 1100 Melville Street
Vancouver, British Columbia, V6E 4A6
Telephone No. (604) 562-6915 Fax No. (888) 691-0529

INFORMATION CIRCULAR

as at April 13, 2018

(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of ATOM ENERGY INC. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on May 15, 2018 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “the Company”, “we” and “our” refer to **ATOM ENERGY INC.** “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter **that properly comes before the Meeting.**

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders may choose one of the following options to submit their proxy:

- (a) complete, date and sign the Proxy and return it to the Company’s transfer agent, Computershare Investor Services Inc. (“Computershare”), by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia Canada V6C 3B9;

- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the control number; or
- (c) use the internet through the website of the Company's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the control number.

In all cases the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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 names of the shareholder's broker or an agent of that broker (an "intermediary"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of shareholders. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" 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, Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare 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.

These securityholder materials are being sent to both registered and non-registered owners of the securities 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 securities on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding securities 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 your request for voting instructions.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting and that person may be you. To exercise

this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting or to have an alternate representative duly appointed to attend the Meeting and to vote your Common Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P. O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

To the best of our knowledge, except as otherwise disclosed herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and the continuation of the Company's share option plan as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "Board") of the Company has fixed April 3, 2018 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

Effective June 14, 2016, the Common Shares of the Company were listed for trading on the NEX Board (AGY.H) of the TSX Venture Exchange (the "NEX").

The authorized capital of the Company consists of an unlimited number of Common Shares without par value.

The Company is also authorized to issue an unlimited number of Preferred Shares. There were no Preferred Shares issued and outstanding as at April 3, 2018.

As at April 3, 2018, there were 17,876,812 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned,

directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding of the Company as at April 3, 2018 other than:

Name of Shareholder	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Alexander Helmelt	2,200,000 ⁽¹⁾	12.31%
John Veltheer	2,200,000 ⁽¹⁾	12.31%

Note:

⁽¹⁾ The above information was supplied to the Company by the shareholder and from the insider reports available at www.sedi.ca.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the Company's financial year ended August 31, 2017, the report of the auditor thereon and the related management's discussion and analysis thereon were filed on SEDAR at www.sedar.com on December 21, 2017, and will be tabled at the Meeting and will be available at the Meeting.

ELECTION OF DIRECTORS

There are currently three directors of the Company. Management has determined the number of directors to be elected at the Meeting at three. The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's three nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at April 3, 2018.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
John Veltheer ⁽²⁾ Chief Executive Officer and Director British Columbia, Canada	Business Consultant <i>Refer to Director Biographies below.</i>	Since August 26, 2016	2,200,000
D. Barry Lee ⁽²⁾ Chairman, Chief Financial Officer, Corporate Secretary and Director British Columbia, Canada	Business Consultant <i>Refer to Director Biographies below.</i>	Since June, 2007	58,469
Gilbert G. Schneider ⁽²⁾ Director British Columbia, Canada	Business Consultant <i>Refer to Director Biographies below.</i>	Since May, 2010	Nil

Notes:

- (1) The information in the table above as to Common Shares beneficially owned or controlled and the following information as to principal occupation, business or employment is not necessarily within the knowledge of management of the Company and has been furnished by the respective nominees.
- (2) Member of Audit Committee.

Director Biographies

John Veltheer, Chief Executive Officer and Director

Mr. Veltheer is a veteran business consultant and has served as an officer or director of a number of private and public companies since 1998. Mr. Veltheer obtained a Bachelor of Science degree in Chemistry (Honours) from Queen's University in 1988 and a Ph.D. (Inorganic Chemistry) from the University of British Columbia in 1993.

D. Barry Lee, Chief Financial Officer, Corporate Secretary and Director

Mr. Lee is a business consultant and a founding partner of First Merit Group Inc., a private consulting company providing senior management and strategic advisory services to public and private companies since 1999. Mr. Lee is a director and member of the audit committee and/or holds senior management positions in several Canadian- and US- based public and private companies in the resource, technology and merchant banking sectors.

Gilbert G. Schneider, Director

Mr. Schneider has over 37 years of senior management experience, including a distinguished 15 year career as Vice President with world renowned Aramark Corporation. He started a private company which he later sold to Aramark Corporation. Mr. Schneider cofounded 4 capital pool companies that are listed on the TSX Venture Exchange and one company, Abattis Bioceuticals on the Canadian Securities Exchange which was a Canadian Securities Exchange trading volume leader in 2014. In 2010 Mr. Schneider co-founded Athabasca Uranium Inc. (now Atom Energy Inc.) and acted as Chief Executive Officer until October 2014 and continues as Director. Mr. Schneider is a private investor and is director of several public and private companies.

Cease Trade Orders

Other than as set out below, within the last 10 years before the date of this Information Circular no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

John Veltheer was a director of Echelon Petroleum Corp. (now named Trenchant Capital Corp.) ("Trenchant"). In August 2015, the British Columbia Securities Commission issued a cease trade order against Trenchant for failure to file its annual audited financial statements and management's discussion and analysis for the year ended March 31, 2015, and trading in the Trenchant's shares were halted by the TSX Venture Exchange. In November 2015, Trenchant's listing was transferred to the NEX Board of the TSX Venture Exchange. In January 2016, the British Columbia Securities Commission issued a partial revocation order in respect of the cease trade order, pursuant to which Trenchant was permitted to undertake a \$600,000 private placement, in order to enable the Company to complete its delinquent filings, as well as a debt settlement. The British Columbia Securities Commission revoked the cease trade order on April 25, 2016, when the outstanding filings were completed, and the TSX Venture Exchange reinstated trading in Trenchant's shares on the NEX Board on May 3, 2016. Mr. Veltheer resigned as a director of Trenchant on October 27, 2016.

Mr. Veltheer was a director of European Ferro Metals Ltd. ("EFM") until July 14, 2015. On September 11, 2015, EFM received a cease trade order issued by the British Columbia Securities Commission for failure to file audited financial

statements and management's discussion and analysis within the prescribed deadline. The financial statements were filed and the cease trade order was subsequently revoked by the British Columbia Securities Commission on December 1, 2015.

Gilbert Schneider was a director of Kinetex Resources Corporation ("Kinetex"), which was subject to a cease trade order issued by the British Columbia Securities Commission on July 22, 2010 and the Alberta Securities Commission on November 3, 2010 for failure to file required financial disclosure within the prescribed time period. On December 20, 2010, Kinetex was the subject of a Receivership Order from the Court of Queen's Bench of Alberta. A receiver and manager of the property assets of Kinetex and its subsidiary, Kintex Multi-Component Services Inc., was appointed pursuant to an order of the Court of Queen's Bench of Alberta dated December 20, 2010. On January 20, 2014, the Court of Queen's Bench of Alberta pronounced the Order of Discharge of the Receiver of Kintex Multi-Component Services Inc. and Kinetex Resources Corporation. Effective March 1, 2011, the share listing for Kinetex was moved to the NEX board and on July 29, 2013, Kinetex was dissolved by the British Columbia Registrar of Companies. Mr. Schneider resigned as a director of Kinetex on July 29, 2013.

Advance Notice Provisions

At the Company's annual general and special meeting held on July 16, 2013, the shareholders of the Company approved the alteration of the Company's articles for the purpose of adopting advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides for advance notice to the Company in circumstances where nominations of persons for election to the Board of directors of the Company are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) or (ii) a shareholder proposal made pursuant to the provisions of the *Business Corporations Act* (British Columbia).

The purpose of the Advance Notice Provision is to foster a variety of interests of the shareholders and the Company by ensuring that all shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provision fixes a deadline by which holders of Common Shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision which is available under the Company's profile on SEDAR at www.sedar.com.

The Company did not receive notice of a nomination in compliance with the Advance Notice Provision, and as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Company will be disregarded at the Meeting.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the Nominees.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, will be nominated at the Meeting for re-appointment as auditor of the Company.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires that an issuer is 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:

The Audit Committee’s Charter

The Company has an audit committee charter, which is attached as Schedule “A” to this Information Circular.

Composition of the Audit Committee

The members of the audit committee are D. Barry Lee (Chair), Gilbert G. Schneider and John Veltheer. Gilbert G. Schneider is an independent member of the audit committee. John Veltheer is Chief Executive Officer and D. Barry Lee is Chief Financial Officer and Corporate Secretary of the Company respectively and, accordingly, are not independent members of the audit committee. All members of the audit committee are considered to be financially literate.

Relevant Education and Experience of the Audit Committee

Each member of the audit committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

See heading *Director Biographies* above for disclosure on relevant education and experience.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company LLP.

Reliance on Certain Exemptions

The Company’s auditor, Davidson & Company LLP, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

See the Audit Committee Charter for the adoption of specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Davidson & Company LLP to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor for Year Ended August 31, 2017	Fees Paid to Auditor for Year Ended August 31, 2016.
Audit Fees ⁽¹⁾	\$10,200	\$10,200
Audit-Related Fees ⁽²⁾	\$Nil	\$Nil
Tax Fees ⁽³⁾	\$Nil	\$Nil
All Other Fees ⁽⁴⁾	\$Nil	\$Nil
Total	\$10,200	\$10,200

Notes:

- (1) “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and

appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

⁽⁴⁾ “All Other Fees” include all other non-audit services.

Exemption

The Company 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 its reporting obligations under NI 52-110 for the year ended August 31, 2017. This exemption exempts a “venture issuer” from the requirement to have 100% of the members of its audit committee independent, as would otherwise be required by NI 52-110.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board of the Company is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no 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 a director’s independent judgment.

The Board facilitates its independent supervision over management in several ways, including retaining independent consultants where it deems necessary, and by reviewing corporate developments with larger shareholders, analysts and potential industry partners.

The independent member of the Board is Gilbert G. Schneider. As D. Barry Lee and John Veltheer are officers of the Company, they are not considered independent.

Directorships

The Company’s directors are currently serving on boards of the following other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Gilbert G. Schneider	Aldever Resources Inc.	TSXV
	Unity Energy Corp.	TSXV
D. Barry Lee	Buccaneer Gold Corp.	TSXV
	Gainey Capital Corp.	TSXV
	Worldwide Resources Corp.	NEX
John Veltheer	Atlas Cloud Enterprises Inc.	CSE

Orientation and Continuing Education

When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company’s properties and business and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

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 directors’ 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.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board as a whole determines compensation for the directors and Chief Executive Officer.

Other Board Committees

The Board has no other committees other than the audit committee.

Assessments

The Board 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.

EXECUTIVE COMPENSATION – VENTURE ISSUERS

“**Company**” means Atom Energy Inc.;

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

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

- (a) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Director and NEO Compensation, Excluding Options and Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation paid by the Company to NEOs and directors of the Company for the two completed financial years ended August 31, 2017 and 2016. Options and compensation securities are disclosed under the heading “**Stock Options and Other Compensation Securities**” of this Information Circular.

During the financial year ended August 31, 2017, based on the definition above, the NEOs of the Company were: John Veltheer, Chief Executive Officer and director, D. Barry Lee, Chief Financial Officer, Corporate Secretary and director and Gilbert G. Schneider, former CEO and former interim CEO and director.

During the financial year ended August 31, 2016, the NEOs of the Company were: John Veltheer, Chief Executive Officer and director, D. Barry Lee, Chief Financial Officer, Corporate Secretary and director, Gilbert G. Schneider, former CEO and former interim Chief Financial Officer and director, and Teresa Rzepczyk, former Corporate Secretary. The directors of the Company at August 31, 2016 financial year end were Richard Ko and Marco Parente.

Table of Compensation, Excluding Compensation Securities in Financial Years ended August 31, 2017 and August 31, 2016

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
John Veltheer ⁽¹⁾ CEO and director	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
D. Barry Lee ⁽²⁾ former Chairman, CFO, Corporate Secretary and director	2017 2016	Nil 36,000	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 36,000
Gilbert G. Schneider ⁽³⁾ Director former CEO, former interim CEO and director and former President	2017 2016	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Teresa Rzepczyk ⁽⁴⁾ former Corporate Secretary	2017 2016	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil
Marco Parente ⁽⁵⁾ former director	2017 2016	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil
Richard Ko ⁽⁶⁾ former director	2017 2016	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil	N/A Nil

Notes:

- (1) John Veltheer was appointed as CEO on August 26, 2016
- (2) D. Barry Lee resigned as Chairman effective August 26, 2016, but remains as Chief Financial Officer and Corporate Secretary. Mr. Lee was appointed corporate secretary on August 26, 2016. \$36,000 was paid to Equity One Capital Corp. (a company controlled by D. Barry Lee), as compensation for services relating to his role as Chief Financial Officer.
- (3) Gilbert G. Schneider served as Chief Executive Officer from July 8, 2010 to October 21, 2014. Mr. Schneider also served as President from July 8, 2010 to August 26, 2016. He was appointed interim Chief Executive Officer on April 25, 2015. Mr. Schneider resigned as interim Chief Executive Officer on August 26, 2016. Gilbert G. Schneider is currently a director of the Company. He was appointed a director of the Company on May, 2010.
- (4) Teresa Rzepczyk served as corporate secretary of the Company from October 21, 2014 to August 26, 2016.
- (5) Richard Ko served as director of the Company from September 5, 2014 to May 15, 2016
- (6) Marco Parente served as director of the Company from February 4, 2015 to January 9, 2016.

Other than set out in this Information Circular, there were no other arrangements under which directors were compensated by the Company and its subsidiaries during the completed financial years ended August 31, 2017 and August 31, 2016 for their services in their capacity as directors or consultants, other than the granting of options to purchase Common Shares.

Stock Options and Other Compensation Securities

10% “rolling” share Option Plan

The Company adopted a 10% “rolling” share option plan dated for reference May 27, 2010, as amended August 15, 2011, and as further amended on March 23, 2017 (the “Plan”). A number of Common Shares equal to 10% of the issued and outstanding Common Shares in the capital stock of the Company are reserved for issuance as options pursuant to the Plan.

The following is a summary of material terms in the Plan:

- a) Persons who are Service Providers to the Company or its affiliates, or who are providing services to the Company or its affiliates, are eligible to receive grants of options under the Plan;
- b) options granted under the Plan are non-assignable and non-transferable and are issuable for a period

- of up to ten (10) years;
- c) for options granted to Service Providers, the Company must ensure that the proposed Optionee is a bona fide Service Provider of the Company or its affiliates;
 - d) an Option granted to any Service Provider will expire within 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Company, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
 - e) if an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
 - f) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
 - g) the exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
 - h) vesting of options shall be at the discretion of the Board, and will generally be subject to:
 - (i) the Service Provider remaining employed by or continuing to provide services to the Company or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or its affiliates during the vesting period; or
 - (ii) the Service Provider remaining as a Director of the Company or its affiliates during the vesting period;
 - i) the Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan.

The Board has determined that, in order to reasonably protect the rights of participants, as a matter of administration, it is necessary to clarify when amendments to the Plan may be made by the Board without further shareholder approval. Accordingly, the Plan also provides that the Board may, without shareholder approval:

- a) make amendments which are of a typographical, grammatical, clerical nature only;
- b) amendments of a housekeeping nature;
- c) change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
- d) change the termination provision of an Option granted hereunder which does not entail an extension beyond the lesser of the original Expiry Date of such Option or 12 months from termination;
- e) make amendments necessary as a result in changes in securities laws applicable to the Company or any requested changes by the TSX Venture;
- f) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- g) make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

Stock Options and Other Compensation Securities

Outstanding Incentive Stock Options during financial year ended August 31, 2017

There were no options (option-based awards) granted to an NEO or director of the Company during financial year ended August 31, 2017.

Outstanding Incentive Stock Options during financial year ended August 31, 2016

There were no options (option-based awards) granted to an NEO or director of the Company during financial year ended August 31, 2016.

Exercise of Compensation Securities by NEOs and Directors

Financial Year Ended August 31, 2017

There were no options exercised by any Director or NEO of the Company during the Company's financial year ended August 31, 2017.

Financial Year Ended August 31, 2016

There were no options exercised by any Director or NEO of the Company during the Company's financial year ended August 31, 2016.

Oversight and description of Director and Named Executive Officer Compensation

Elements of the Compensation Program

The Board has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Board reviews the compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and activity.

Philosophy and Objectives

The Board has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the Company's senior management. The Board reviews the compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and activity.

Base Salary or Consulting Fees

Base salary ranges for executive officers were initially determined upon a review of companies within the mining industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- the particular responsibilities related to the position;
- salaries paid by other companies in the mining industry which were similar in size as the Company;
- the experience level of the executive officer;
- the amount of time and commitment which the executive officer devotes to the Company; and
- the executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Financial Year ended August 31, 2017

Transactions with related parties are incurred in the normal course of business. During the year ended August 31, 2017, the Company incurred the following charges with related parties that include officers, directors or companies with common directors of the Company:

- \$69,761 (2016: \$119,813) is due to D. Barry Lee, CFO or to Equity One Capital Corp. (a company controlled by D. Barry Lee, CFO), which is unsecured, has no stated terms of repayment and is non-interest bearing. The amount is included in accounts payable and accrued liabilities in the Company's August 31, 2017 year end financial statements.

Financial Year ended August 31, 2016

Transactions with related parties are incurred in the normal course of business. During the year ended August 31, 2016, the Company incurred the following charges with related parties that include officers, directors or companies with common directors of the Company:

- Fees of \$36,000 was paid or accrued to Equity One Capital Corp. (a company controlled by D. Barry Lee, CFO).

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasises the provisions of option grants to maintain executive motivation.

Compensation Review Process

Risks Associated with the Company's Compensation Program

Due to the small size of the Company and the current level of the Company's activity, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular meetings of the Board during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Benefits and Perquisites

The Company does not, as of the date of this Information Circular, offer any benefits or perquisites to its NEOs other than potential grants of incentive stock options as otherwise disclosed and discussed herein.

Hedging by Named Executive Officers or Directors

The Company has not, to date, adopted a policy restricting its executive officers and directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, which are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Information Circular, entitlement to grants of incentive stock options under the Company's Plan is the only equity security element awarded by the Company to its executive officers and directors.

Option-Based Awards

The Company has a share option plan in place dated for reference May 27, 2010 as amended August 15, 2011, and as further amended March 23, 2017 defined in this Information Circular as the "Plan", wherein an aggregate of 10% of the issued and outstanding Common Shares at the time an option is granted, less any outstanding options, are available for issuance to eligible optionees. The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company.

Management proposes stock option grants to the board of directors based on such criteria as performance, previous grants, and hiring incentives. All grants require approval of the board of directors. The Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Pension disclosure

The Company does not have any pension plan that provides for payments or benefits to NEOs at, following, or in connection with retirement nor does the Company have a pension plan that provides for payments or benefits to the non-executive directors at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized at the end of the Company’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 future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders – the Share Option Plan	Nil	Nil	215,336
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	Nil		215,336

Note: The issued and outstanding share capital at financial year ended August 31, 2017 was 2,153,357 common shares. At financial year ended August 31, 2017 and as of the date of this Information Circular, there were no outstanding incentive stock options.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Non-Brokered Private Placement

The TSX Venture Exchange accepted for filing documentation with respect to a non-brokered private placement announced by the Company on November 3, 2017 for an issuance of 8,300,000 units at \$0.05 per unit, each unit consisting of one common share and one share purchase warrant exercisable at a price of \$0.065 for a period of 12 months following the closing of this private placement. John Veltheer, Chief Executive Officer and a director of the Company subscribed for 2,200,000 units in this private placement.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Continuation of 10% “rolling” Share Option Plan

Although the NEX does not require listed companies to adopt a stock option plan, the board of directors feels that it is appropriate that the Company be prepared by possessing the necessary tools to attract and retain qualified personnel. One such tool is an incentive stock option plan.

Shareholder Vote

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution to the continuation of the Company’s 10% “rolling” share option plan (described in this Information Circular as the “Plan”).

So long as the Company is listed on the NEX Board, in accordance with NEX Policy, the grant and exercise of any issued and outstanding incentive stock options will be limited to 10% in any 12-month period, and no additional reservations or issuance of stock options may be made in excess of the required limits.

An “*ordinary resolution*” is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Accordingly, Shareholders will be asked to consider, and if deemed advisable to pass, with or without variation, the following ordinary resolution:

“Be it **RESOLVED** that the Company’s Share Option Plan dated for reference May 27, 2010, amended on August 15, 2011, and as further amended on March 23, 2017, be and is hereby ratified and approved for continuation.”

ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Company for the year ended August 31, 2017 and the related management discussion and analysis as filed on www.sedar.com.

Additional information relating to the Company is filed on SEDAR at www.sedar.com and upon request from the Company at phone number (604) 283-1722 or fax number (888) 241-5996. A copy of these documents may be obtained by a Shareholder upon request without charge from the Company at Suite 830 – 1100 Melville Street, Vancouver, British Columbia, Canada V6E 4A6. Telephone No. (604) 562-6915 or Fax No. (888) 691-0529 and are also available on the Company’s corporate website at www.sedar.com.

Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, effective April 13, 2018.

BY ORDER OF THE BOARD

“John Veltheer”

John Veltheer
Chief Executive Officer

SCHEDULE “A”

ATOM ENERGY INC.

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the “**Committee**”) of Atom Energy Inc. (the “**Company**”) is appointed by the Board of Directors of the Company (the “**Board**”) to assist the Board in fulfilling its oversight responsibilities of the Company. In so doing, the Committee provides an avenue of communication among the independent auditors, management, and the Board.

The Committee’s primary duties and responsibilities are to gain reasonable assurance of the following:

- that the Company complies with the applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges relating to financial reporting and disclosure;
- that management of the Company has assessed areas of potential significant financial risk to the Company and taken appropriate measures;
- the independence and satisfactory performance of duties by the Company’s independent auditors;
- that the accounting principles, significant judgments and disclosures that underlie or are incorporated in the Company’s financial statements are the most appropriate in the prevailing circumstances;
- that the Company’s quarterly and annual financial statements present fairly the Company’s financial position and performance in accordance with generally accepted accounting principles (“**IFRS**”); and
- that appropriate information concerning the financial position and performance of the Company is disseminated to the public in a timely manner.

Composition

The Committee shall be comprised of three or more directors as determined by the Board, a majority of whom must be independent¹ and free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Committee shall be financially literate². The Committee members shall be appointed by the Board.

Chair

The Board will appoint the Chair of the Committee annually, to be selected from the members of the Committee. If, in any year, the Board does not make an appointment of the Chair, the incumbent Chair will continue in office until that Chair’s successor is appointed.

Removal and Vacancies

Any member of the Committee may be removed and replaced at any time by the Board and will automatically cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies in the Committee by election from among the members of the Board. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

Meetings and Operating Procedures

- The Committee shall meet at least four times annually, or more frequently as circumstances dictate.
- A quorum shall be a majority of the members of the Committee.
- In the absence of the Chair of the Committee, the members shall appoint an acting Chair.

¹ For the definition of “**independent**”, please see the Glossary of Terms.

² For the definition of “**financially literate**”, please see the Glossary of Terms.

- A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee and to each director of the Company in a timely fashion.
- Notice of the time and place of each meeting of the Committee will be given by the member calling the meeting to the other members by telephone, electronic mail or facsimile transmission not less than forty-eight (48) hours before the time of the meeting, and, subject to the requirements of applicable law, need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Committee may be held at any time without notice if all members have waived or are deemed to have waived notice of the meeting.
- The Chair of the Committee shall use his or her best efforts to prepare and/or approve an agenda in advance of each meeting.
- The Committee, in consultation with management and the independent auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the independent auditors with respect to the nature, timing and extent of its information needs. The Committee expects that written materials will be received from management and, to the extent needed, the independent auditors in advance of meeting dates.
- The Committee should meet privately in executive session at least quarterly with management and as a committee, and at least annually with the independent auditors, to discuss any matters that the Committee or each of these groups believes should be discussed.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee expects that, in discharging their responsibilities to the shareholders, the independent auditors shall be accountable to the Board through the Committee. The independent auditors shall report all material issues or potentially material issues to the Committee.

Reliance on Experts

The Committee shall have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it. In so doing, each member of the Committee shall be entitled to rely in good faith upon:

- (a) the financial statements of the Company represented to him or her by an officer of the Company or in a written report of the independent auditors to present fairly the financial position of the Company in accordance with IFRS; and
- (b) any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Committee shall also have the authority to communicate directly with the independent auditors.

Remuneration of Committee Members

No member of the Committee may earn fees from the Company other than directors' fees (which fees may include cash, options or other in-kind consideration ordinarily available to directors). For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company.

Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

Responsibilities and Duties

Review Procedures

- Review and reassess the adequacy of this Charter at least annually, submit any changes to the Board for approval and ensure that it is in compliance with applicable securities laws.
- Review the Company's annual audited financial statements and quarterly unaudited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and, in respect of the annual financial statements, report its findings for approval to the Board. Review should include discussion with management and, in respect of the annual financial statements, independent auditors of significant issues regarding accounting principles, practices and judgments.
- Review news releases and reports to shareholders, prior to distribution, that are to be issued by the Company with respect to the Company's annual and quarterly financial statements and, if appropriate, recommend approval of same to the Board.
- Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure stated above, and periodically assess the adequacy of those procedures.
- In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures.
- Review and approve the Company's hiring policy regarding the partners, employees and former partners and employees of the present and former external auditor of the Company.
- Review with management and the independent auditors the management certifications of the financial statements and accompanying Management Discussion & Analysis as required under applicable securities laws.
- Review with management and the independent auditors the appropriateness of the Company's accounting policies, disclosures, reserves, key estimates and judgments, including changes or alternatives thereto and to obtain reasonable assurance that they are in compliance with IFRS and fairly present in all material respects the Company's financial condition and results, and report thereon to the Board.
- Review the following with management with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - management's tolerance for financial risks;
 - management's assessment of significant financial risks facing the Company; and
 - the Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks.
- On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, or inquiries received from regulators or governmental agencies.

Independent Auditors

- The independent auditors are ultimately accountable to the Committee and the Board and shall report directly to the Committee. The Committee shall review the independence and performance of the auditors and annually recommend to the Board the appointment and compensation of the independent auditors or approve any discharge of auditors when circumstances warrant.
- Assume direct responsibility for overseeing the work of the independent auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Company, including the resolution of disagreements between management and the independent auditors regarding financial reporting.
- Evaluate and recommend to the Board the independent auditors to be nominated to prepare or issue an audit report or perform other audit, review or attest services for the Company, and the compensation of the independent auditors.

- Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its independent auditors. Authority to pre-approve non-audit services may be delegated to one or more independent members, provided that the pre-approval is presented to the full Committee at its first scheduled meeting following such pre-approval.
- On an annual basis, the Committee should review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditors' independence.
- Review the independent auditors' audit plan, and discuss scope, staffing, locations, reliance upon management and internal audit and general audit approach.
- Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors. Discuss certain matters required to be communicated to audit committees.
- Consider the independent auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- Review the results of independent audits and any change in accounting practices or policies and their impact on the financial statements.
- Where there are unsettled issues raised by the independent auditors that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to the resolution of such issues.

Other

- Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- Ensure that the Company's annual information form, if one is prepared and filed, contains the required prescribed disclosure regarding the Committee, and, if management solicits proxies from the Company's securityholders for the purpose of electing directors to the Board, ensure that the prescribed disclosure is included in the Company's information circular.

Access to Records

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties.