



**NOTICE OF THE ANNUAL  
MEETING OF SHAREHOLDERS**

The Annual Meeting of Shareholders of Axe Exploration Inc. (the “Corporation”) will be held at the LAURENTIAN BANK, 1 699 Le Corbusier Blvd, suite 100, Montmorency Room, Laval, Québec, on Mars 26, 2015, at 11:00 a.m. (Montréal time), for the following purposes:

1. to present to shareholders the financial statements of the Corporation for the year ended September 30, 2014, as well as the auditors' report;
2. to elect the directors of the Corporation;
3. to appoint the auditors of the Corporation and to authorize the Board of Directors to fix the auditors' remuneration; and
4. to transact such other business that may properly come before the meeting.

Laval, Québec, February 11, 2015

**By order of the Board of Directors**

*(s) David Mc Donald*

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David Mc Donald, President and CEO

Since it is desirable that as many shares as possible be represented at the meeting and that the shareholder votes on the meeting agenda represent the proportional number of shares owned, we urge any shareholder who is unable to attend the meeting in person, to complete and return the enclosed proxy form.

**Environmentally sensitive, the Corporation suggest that you use the replying services by Internet or phone, as indicated at the back of the voting instructions form.**

## AXE EXPLORATION INC.

(the "Corporation")

### MANAGEMENT PROXY CIRCULAR

**This Management Proxy Circular dated February 11<sup>th</sup> 2015 is furnished in connection with the solicitation by the management of the Corporation of proxies to be used at the Annual General Meeting of shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set out in the Notice of Meeting.** It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopy, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation.

If you cannot attend the Meeting in person, unless indicated otherwise on the form of proxy, complete and return the enclosed form of proxy to the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc. ("Computershare"), at 100 University Avenue, 19<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not less than two (2) business days (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting.

#### QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's by-laws provide that the quorum at a meeting of the shareholders of the Corporation shall be constituted by the attendance of two or more shareholders, present in person or represented by proxy, holding at least 10% of the votes attached to outstanding voting shares.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy. **A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.**

A shareholder may revoke a proxy at any time by an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, and filed at the office of Computershare, at the same address and within the same delays as mentioned above, or two business days preceding the date the Meeting resumes if it is adjourned, or remitted to the chairman of such Meeting on the day of the Meeting or any adjournment thereof if applicable.

#### EXERCISE OF DISCRETION BY PROXIES

**Shares represented by properly executed proxies in favour of the persons designated in the enclosed form of proxy, in the absence of any direction to the contrary, will be voted FOR: (a) the election of directors; and (b) the appointment of auditors.** Instructions with respect to voting will be respected by the persons designated in the enclosed form of proxy. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in the way they consider advisable. At the time of printing this Management Proxy Circular, management of the Corporation knows of no such amendments or new matters to be brought before the Meeting.

#### NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the common shares, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-

administered RRSPs, RRIFs, RESPs and similar plans; or (b) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators, entitled “*Communication with Beneficial Owners of Securities of a Reporting Issue*”, the Corporation has distributed copies of the Notice of Meeting and this Management Proxy Circular (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Meeting Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (often called a “**voting instruction form**”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to Computershare at 100 University Avenue, 19<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to Computershare at the address set out above.

**In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.**

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

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

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation’s last financial year;
- (b) each proposed nominee for election as a director of the Corporation; and
- (c) each associate or affiliate of any of the foregoing.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at February 20, 2015 there were 55,557,445 issued and outstanding common shares of the Corporation. Each common share entitles the holder thereof to one vote. The Corporation has fixed the close of business on February 20, 2015 as the record date (the “**Record Date**”) for the purpose of determining shareholders entitled to receive notice of the Meeting. Any registered shareholder of record as at the close of business on the Record Date will be entitled to vote at the Meeting.

As at February 20, 2015, to the best knowledge of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the issued and outstanding common shares of the Corporation.

## ELECTION OF DIRECTORS

The Board of Directors currently consists of four directors. The persons named in the enclosed form of proxy intend to vote for the election of the four nominees whose names are set out below. Each director will hold office until the next annual general meeting of shareholders or until the election of his successor, unless he resigns or his office becomes vacant by removal, death or other cause.

The following table sets out the name of each of the persons proposed to be nominated for election as director, all other positions and offices with the Corporation now held by such person, province of residence and principal occupation, the date on which such person became a director of the Corporation, and the number of common shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below.

Name	Office Held	Director since	Number of shares beneficially owned or over which control is exercised	Present Occupation
David Mc Donald Québec, Canada	President, CEO and Director	October 17, 2007	1,128,593	President and CEO of the Corporation and Typhoon Exploration Inc.
Johanne Moreau <sup>(1)</sup> Québec, Canada	CFO and Director	March 28, 2013	-	CFO of the Corporation and Controller of Typhoon Exploration Inc.
Pascal Ducharme <sup>(1)</sup> Québec, Canada	Director	March 11, 2009	140,731	President, Patate du Nord Inc.
Claude Lavoie <sup>(1)</sup> Québec, Canada	Director	August 7, 2012	-	Project Manager, Construction Engineering Division (Canadian Armed Forces)

(1) Member of the Audit Committee.

All of the foregoing nominees have previously been elected directors of Axe Exploration Inc. at a meeting for which an information circular was issued.

To the knowledge of the Corporation, none of the foregoing nominees for election as a director of the Corporation:

- (a) is, or within the last ten years, has been a director, chief executive officer, or chief financial officer of any company that:
  - (i) was the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
  - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (c) has, within the last ten years, 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 his assets.

To the knowledge of the Corporation, none of the nominees for election as director of the Corporation has been subject to:

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

## **COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS**

### **Compensation Discussion & Analysis**

This discussion describes the Corporation’s compensation program for each person who acted as Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) and the three most highly compensated executive officers (or three most highly compensated individuals acting in a similar capacity), other than the CEO and the CFO, whose total compensation was more than \$150,000 in the Corporation’s last financial year (each a “**Named Executive Officer**” or “**NEO**” and collectively the “**Named Executive Officers**”). This section will address the Corporation’s philosophy and objectives and the process the Board of Directors follows in deciding how to compensate the Named Executive Officers.

#### Compensation Program Philosophy

The Corporation is a mining exploration company and is presently generating no income. In light of the Corporation’s current stage of development, it does not have a formal compensation program. The Board of Directors meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation’s compensation is to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view of increasing long-term shareholder value;
- (b) align management's interests with long-term interests of shareholders;
- (c) provide a compensation package that is commensurate with other mining exploration companies in order to enable the Corporation to attract and retain talent; and
- (d) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a mining exploration company without a history of earnings.

#### Compensation Process

The compensation of the Named Executive Officers is administered by the Corporation's Board of Directors. The Corporation does not have a formal policy with respect to the remuneration of its Named Executive Officers. The decisions are made pursuant to Board discussions.

#### Base Salaries

The Named Executive Officers receive a base salary which is based primarily on the level of responsibility of the position, the qualifications and experience of the officer and the market conditions with which the Corporation is evolving. For the period ended September 30, 2014, the amount of \$190,008 was paid, indirectly, to the CEO and \$26,930 was paid to the CFO, for a total amount of \$216,938.

The base salaries of the Named Executive Officers are established to ensure they consider the following factors: the market and economic conditions, the levels of responsibility and accountability of each NEO, the skill and competencies of each individual, retention considerations and the level of demonstrated performance. The Board of Directors establishes what it considers to be a fair and responsible compensation package, taking into account the contribution of the NEO to the Corporation's long-term growth and the Board of Directors' knowledge of remuneration practices in Canada. Except for the CEO's fees which is paid to his management corporation as per the service agreement entered into (which has an indeterminate term), the salaries are thereafter reviewed annually by the Board of Directors to ensure that they still meet those guidelines. The service agreement setting the fees for the CEO was reviewed and approved by the Board of Directors.

#### Variable Cash Incentive Awards - Bonuses

The Board of Directors' philosophy with respect to executive officer bonuses is to align the issuances of bonuses with the performance of the Corporation, established at the discretion of the Board of Directors, and the relative contribution of each of the executive officers, including the CEO, to that performance. During the fiscal year ended September 30, 2014, the Board of Directors did not approve the payment of any bonuses for the Named Executive Officers.

#### Long Term Incentive Plans

The Corporation provides long term incentive compensation to its executive officers through the Stock Option Plan. For the period ended September 30, 2014, the Corporation granted 1,100,000 share purchase options having an exercise price of \$0.05 and having the aggregate value of \$42,900.

#### *Stock Option Plan*

The Corporation has established a formal stock option plan (the "**Stock Option Plan**") under which options to purchase shares are granted to directors, officers, employees and consultants of the company in order to encourage them to contribute in achieving the company's goal of increasing shareholder value. The Board of Directors

determines which NEO (or other person) is entitled to participate in the Stock Option Plan, the number of options granted, the date which each option is granted and the exercise price of such options.

The Board of Directors makes these decisions subject to the existing Stock Option Plan and, where applicable, the policies of the TSX Venture Exchange (the “**Exchange**”).

While granting stock options, past stock option grants are not taken into consideration.

#### Quantity of shares reserved for issuance

A maximum of 9,249,633 common share can be issued pursuant to the stock option plan.

#### Restrictions

The quantity of shares reserved for issuance to any one person must not exceed 5% of the outstanding common shares of the Corporation, during a 12 month period, and any share based issuances as compensation are considered in the 5%.

#### Term

The share purchase options are granted for a term determined by the board of directors at the time of the grant and in any event, such term cannot exceed 10 years from the date of the grant.

#### Group Benefits/Perquisites

The officers of the Corporation do not benefit from any life, medical, long term disability other insurance. None of the officers benefit from any retirement plan whatsoever.

## **Risk Considerations**

The Board is aware that compensation policies and practices are likely to have consequences - albeit unintentional - in terms of risks.

The Board will regularly review the consequences of certain risks that might be associated with such policies and practices, all in order to identify practices that could influence a Named Executive Officer to expose the Corporation to undue risk.

The Board has also conducted such a review as part of the preparation of this Circular.

### *Stock Options*

The Stock Option Plan is designed to attract and retain competent officers and directors within the Corporation. It is part of the alignment of interests of executive officers and directors with those of shareholders of the Corporation. Besides being the main component of the long-term incentive compensation offered to directors and executive officers, the Stock Option Plan also aims to reward and retain employees of the Corporation and people who provide ongoing consulting services or management.

This form of compensation is both “long term” and “at risk”, since it is largely linked to the creation of long-term value.

Thus, this form of compensation is not specifically linked to the obtaining of specific results or milestones, but rather is intended to retain and encourage beneficiaries to work continuously and in the best interest of the Corporation and its shareholders.

Since the benefits of this form of compensation generally require the lapse of a period of time, the Board considers that the ability of Named Executive Officers to take undue risks that would be excessive or beneficial from the point of view of their compensation and to the detriment of the Corporation and its shareholders, is limited.

### *Salary*

The salary is the residual portion of total compensation of a Named Executive Officer. The Board considers it is unlikely that a Named Executive Officer decides to take undue or excessive risk to the Corporation which would be personally beneficial in terms of his compensation.

### *Conclusion*

Due to the current size and level of activities of the Corporation, the Board is able to monitor and review the risks associated with its compensation policies and practices. Such risks can be identified and mitigated through regular meetings during which financial or other information is reviewed.

No risk resulting from the compensation practices and policies that are reasonably likely to have a material adverse effect on the Corporation or its business has been identified by the Board.

## **Summary of the Compensation of the Named Executive Officers**

The following table provides information for the financial years ended September 30, 2014, 2013 and 2012 regarding compensation paid to or earned by the Named Executive Officers.



Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All other Compensation (\$) <sup>(2)</sup>	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
David Mc Donald President and CEO	2012	Nil	Nil	Nil	Nil	Nil	Nil	211,501	211,501
	2013	Nil	Nil	10,150	Nil	Nil	Nil	157,237	167,387
	2014	Nil	Nil	19,500	Nil	Nil	Nil	190,008	209,508
Francine Rivard CFO <sup>(3)</sup>	2012	26,241	Nil	Nil	Nil	Nil	Nil	Nil	26,241
	2013	12,211	Nil	Nil	Nil	Nil	Nil	Nil	12,211
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Johanne Moreau CFO <sup>(4)</sup>	2012	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2013	11,310	Nil	5,800	Nil	Nil	Nil	Nil	17,110
	2014	26,930	Nil	7,800	Nil	Nil	Nil	Nil	34,730

(1) Black & Scholes model used as per the following assumptions..

Estimates	2013	2014
Risk free interest rate	1.76%	0.94%
Expected life	10 years	10 years
Expected volatility	158%	155%
Expected dividend yield	0	0

(2) Management and consultation fees paid to Ressources Lutsvisky Inc. (“Lutsvisky”), a private corporation wholly-owned by David Mc Donald. Under a consulting agreement effective January 1, 2011, the Corporation retained Lutsvisky for a consultation mandate on the administrative planning of the Corporation in consideration of annual fees of \$150,000 per year, and indexable on January 1 of each year. Under a management agreement dated October 17, 2007 between the Company and Lutsvisky (the “Management Agreement”), Lutsvisky provide the staff required to carry out exploration programs, selects and hires subcontractors necessary for drilling and line cutting and other subcontractors necessary to carry out exploration programs, hiring laboratories required to process samples in connection with exploration programs, provides lodging and food, transporting personnel and provide the necessary oversight to the implementation of the programs. Under the Management Agreement, the parties agreed that Lutsvisky would be entitled to fees for overhead costs, management fees and administrative costs equivalent to 15 % of the costs incurred in the exploration programs.

(3) Deceased on February 23, 2013.

(4) Since March 28, 2013.

### Incentive Plan Awards — Outstanding Share-Based Awards and Stock-Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the Named Executive Officers of the Corporation.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) (1)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or Payout Value of Share-Based Awards that have not paid out or distributed(\$)
David Mc Donald, CEO	100,000	0,10	October 20, 2014	Nil	Nil	Nil	Nil
	500,000	0,145	April 6, 2021	Nil	Nil	Nil	Nil
	350,000	0,10	March 28,2023	Nil	Nil	Nil	Nil
	500,000	0,05	January 22,2024	Nil	Nil	Nil	Nil
Johanne Moreau, CFO	15,000	0,145	April 6, 2021	Nil	Nil	Nil	Nil
	200,000	0,10	March 28,2023	Nil	Nil	Nil	Nil
	200,000	0,05	January 22,2024	Nil	Nil	Nil	Nil

(1) The value of unexercised options is determined by calculating the difference between the closing price of the common shares on the TSX Venture Exchange, September 30 2014 (\$0.02) and the exercise price of the options.

### Incentive Plan Awards - Value Vested or Earned During the Most Recently Completed Financial Year

The following table outlines, for each NEO, the value of option-based awards and share-based awards which vested during the year ended September 30, 2014 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2014.

Name	Option-Based Awards – Value Vested During the Year (\$) (1)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
David Mc Donald	Nil	Nil	Nil
Johanne Moreau	Nil	Nil	Nil

(1)The amount represents the aggregate value that would have been realised if all of the options granted had been exercised at the vesting date and is established by using the closing price of the common shares on the TSX Venture Exchange on such date.

### Pension Plan Benefits

The Corporation does not have a Defined Benefits Pension Plan or a Defined Contributions Pension Plan.

## Termination and change of control benefits

As per the exploration management contract entered into between the Corporation and Ressources Lutsvisky Inc., a privately held corporation owned by the CEO, David McDonald, the Corporation will have to pay the sum of \$211,300 if it terminates, unilaterally, the contract. As per the management consulting contract entered into by the Corporation and Ressources Lutsvisky Inc., the sum of \$150,000 will be payable if the Corporation unilaterally terminates the contract.

## Director Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Corporation for the most recently completed financial year.

Name	Fees earned (\$)	Share-Based Awards (\$)	Option-Based Awards <sup>(1)</sup> (\$)	Non-equity Incentive plan Compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total (\$)
Pascal Ducharme	Nil	Nil	7,800	Nil	Nil	Nil	7,800
Claude Lavoie	Nil	Nil	7,800	Nil	Nil	Nil	7,800

(1) Black & Scholes model used as per the following assumptions..

Estimates	2013	2014
Risk free interest rate	1.76%	0.94%
Expected life	10 years	10 years
Expected volatility	158%	155%
Expected dividend yield	0	0

## Share-Based Awards, Options-Based Awards and Non-Equity Incentive Plan Compensation

### *Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or Payout Value of Share-Based Awards that have not paid out or distributed(\$)
Pascal Ducharme	50,000	0,10	October 20, 2014	Nil	Nil	Nil	Nil
	200,000	0,145	April 6, 2021	Nil	Nil	Nil	Nil
	200,000	0,10	March 28, 2023	Nil	Nil	Nil	Nil
	200,000	0,05	January 22,2024	Nil	Nil	Nil	Nil

Claude Lavoie	200,000	0,10	March 28, 2023	Nil	Nil	Nil	Nil
	200,000	0,05	January 22, 2024	Nil	Nil	Nil	Nil

(1) The value of unexercised options is determined by calculating the difference between the closing price of the common shares on the TSX Venture Exchange, September 30, 2014 (\$0.02) and the exercise price of the options.

***Incentive Plan Awards — Value Vested or Earned During the Most Recently Completed Financial Year***

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Corporation during the most recently completed financial year:

Name	Option-Based Awards – Value Vested During the year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Pascal Ducharme	Nil	Nil	Nil
Claude Lavoie	Nil	Nil	Nil

(1) The amount represents the aggregate value that would have been realised if all of the options granted had been exercised at the vesting date and is established by using the closing price of the common shares on the TSX Venture Exchange on such date.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out certain details as at September 30, 2014, the end of the Corporation’s last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of shares remaining available for future issuance under the equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans previously approved by shareholders	4,670,000	0,090	4,579,633
Equity compensation plans not previously approved by shareholders	Nil	Nil	Nil

The options referred to in the table above were granted under the Stock Option Plan.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

During the fiscal year ended September 30, 2014, and as at the date of this Management Proxy Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

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

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, proposed director, officer, shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding common shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the beginning of the last financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation, other than what is disclosed in this Management Proxy Circular.

## **INFORMATION ON THE AUDIT COMMITTEE**

### **Charter of the Audit Committee**

The charter of the Audit Committee is annexed to this Management Proxy Circular as Schedule A.

### **Composition of the Audit Committee**

The Audit Committee is currently composed of Johanne Moreau, Pascal Ducharme and Claude Lavoie. Under Regulation 52-110 — Respecting Audit Committees, a director of an audit committee is “independent” if he or she 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. For the purpose of assessing the independence of a member of an audit committee, Regulation 52-110 – Respecting Audit Committees further provides that an individual will be deemed to have a material relationship with an issuer if he or she accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer, other than as remuneration for acting in his or her capacity as a member or as part-time chair or vice-chair of the board of directors of the issuer or any committee thereof. For this purpose, the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes the acceptance of a fee by an entity in which such individual is a partner, and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer.

Based on the foregoing, the Board of Directors has determined that Pascal Ducharme and Claude Lavoie are independent members of the Audit Committee. The Board of Directors considers that Johanne Moreau is not an independent member of the Audit Committee in that Mrs. Moreau is the CFO of the Corporation.

The Board of Directors has determined that each of the members of the Audit Committee is “financially literate” within the meaning of section 1.6 of Regulation 52-110 – Respecting Audit Committees, 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.

### **Relevant education and experience**

*Johanne Moreau* has worked in the accounting field for over 25 years. She has worked for small and larger corporations as always completed administrative & accounting duties. She joined the Corporation and Exploration Typhon Inc. in 2010. Ms. Moreau is currently comptroller for Exploration Typhon and CFO of the Corporation. Through her experience, she has gained an understanding of accounting principles and internal controls and procedures for financial reporting.

*Pascal Ducharme*, has been a director of the Corporation since 2009 and in his 27 years as an entrepreneur having administrative duties for several companies, he has gained a thorough understanding of financial statements. He is the director and shareholder of a company he founded, Patate du Nord inc., since 1996.

*Claude Lavoie* currently works for the Canadian Armed Forces and has been for the past 27 years. Through his involvement with several corporations, Mr. Lavoie has become knowledgeable with the financial statements and the auditing process and procedures surrounding the preparation of financial statements.

**Pre-approval Policies and Procedures for Audit Services**

Refer to the Audit Committee Charter attached as Schedule A.

**External Auditor Fees**

Period ended September 30 :	2014	2013
Audit Fees	\$27,499	\$37,418
Audit Related Fees	-	-
Tax Fees	\$2,500	\$4,200
All Other Fees	-	-
<b>TOTAL</b>	<b>\$29,999</b>	<b>\$41,618</b>

***Audit Fees***

“Audit fees” consist of fees for professional services for the audit of the Corporation’s annual financial statements, and related matters. Raymond Chabot Grant Thornton s.e.n.c.r.l., Chartered Accountants, the Corporation’s external auditors, billed the Corporation \$29,999 in audit fees during the fiscal year ended September 30, 2014 and \$41,618 in audit fees during the fiscal year ended September 30, 2013.

***Audit-Related Fees***

“Audit-related fees” consist of fees for professional services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and which are not reported under “Audit Fees” above.

***Tax Fees***

“Tax fees” consist of fees for professional services for tax compliance, tax advice and tax planning and which are not reported under “Audit Fees” above.

**Reliance on Exemption**

The Corporation is relying on the exemption set out in section 6.1 of Regulation 52-110 — Respecting Audit Committees with respect to the composition of the Audit Committee and certain reporting obligations.

**APPOINTMENT OF AUDITORS**

Raymond Chabot Grant Thornton LLP has acted as auditors of the Corporation since September 30, 2008. The management of the Corporation proposes Raymond Chabot Grant Thornton LLP as the Corporation’s auditors, for the Corporation’s financial year ending September 30, 2015.

In addition, for practical reasons, it is expedient that the directors of the Corporation be authorized to fix their remuneration upon recommendation of the Audit Committee.

**Unless instructions are given to abstain from voting concerning the appointment of the auditors, the persons whose name appear in the attached form of proxy will vote FOR the appointment of Raymond Chabot Grant Thornton LLP and the authorization given to the directors of the Corporation to fix their remuneration.**

## OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

## CORPORATE GOVERNANCE PRACTICES

Policy Statement 58-201 *Corporate Governance Guidelines* and Regulation 58-101 – *Respecting Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

### Board of Directors

The Board of Directors considers that Pascal Ducharme and Claude Lavoie are independent members within the meaning of Regulation 52-110 – *Respecting Audit Committees*.

The Board of Directors considers that David Mc Donald and Johanne Moreau are not independent within the meaning of Regulation 52-110 – *Respecting Audit Committees*. Mr. Mc Donald is the President of the Corporation and Mrs. Moreau is the Chief Financial Officer of the Corporation.

### Directorships

The following directors are currently directors of another issuer that is a reporting issuer (or the equivalent) in a jurisdiction of Canada:

Name of Director	Issuer
David Mc Donald	Typhoon Exploration Inc.

### Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board of Directors has taken certain measures to provide continuing education for the directors (i.e. some training sessions provided by the Exchange).

### Ethical Business Conduct

In light of the Corporation’s stage of development and its limited number of employees, the Board of Directors has not taken formal steps to encourage and promote a culture of ethical business conduct. The Corporation does take measures to ensure that the directors do not trade in the Corporation’s shares at a time when disclosure of material information is pending.

## **Nomination of Directors**

The Corporation does not currently have a formal nomination process in place. The Board of Directors, as a whole, is responsible for recommending candidates for election to the Board of Directors and filling any vacancies on the Board of Directors, where necessary.

## **Compensation**

The compensation of the directors and President and Chief Executive Officer of the Corporation is determined by the Board of Directors, as a whole, upon the recommendation of the President and Chief Executive Officer and the Chief Financial Officer of the Corporation.

The Corporation is a mining exploration company and, at present, does not have positive earnings. In determining the compensation of the directors and the President and Chief Executive Officer, the Board considers, among other things, the contribution of each such individual to the Corporation, the financial resources of the Corporation and the compensation received by individuals occupying similar functions in other comparable Canadian companies. See “Compensation of Executive Officers and Directors - Compensation Discussion & Analysis” above.

## **Other Board Committees**

The only committee of the Board of Directors is the Audit Committee.

## **Assessments**

The Board of Directors, as a whole, is responsible for assessing on an ongoing basis the: (a) performance and contribution of each of the members of the Board of Directors on an individual basis; and (b) performance and effectiveness of the Board of Directors generally and of the Audit Committee.

## **ADDITIONAL INFORMATION**

Financial information about the Corporation is contained in its audited financial statements and Management’s Discussion and Analysis for the fiscal year ended September 30, 2014, and additional information about the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders who would like to obtain, at no cost to them, a copy of any of the following documents:

- (a) the audited financial statements of the Corporation for the fiscal year ended September 30, 2014 together with the accompanying report of the auditors thereon and any interim financial statements of the Corporation for periods subsequent to September 30, 2014 and Management’s Discussion and Analysis with respect thereto; and
- (b) this Management Proxy Circular.

Copies are also available by contacting the Corporation:

**AXE EXPLORATION INC.**  
255, blvd Curé Labelle, Suite 204  
Laval, Quebec H7L 2Z9  
Tel : 450.622.4066  
Fax : 450.622.4337

Email : [info@axeexploration.com](mailto:info@axeexploration.com)



## AUTHORIZATION

The contents and the mailing of this Management Proxy Circular have been approved by the Board of Directors of the Corporation.

Laval, Québec, February 11, 2015

**By order of the Board of Directors**

*(s) David Mc Donald*

David Mc Donald, President and CEO

## SCHEDULE A

### AXE EXPLORATION INC.

#### AUDIT COMMITTEE CHARTER

The following charter is adopted in compliance with *Multilateral Instrument 52-110 Audit Committees* (“MI 52-110”).

#### 1. MANDATE AND OBJECTIVES

The mandate of the audit committee of the Corporation (the “Committee”) is to assist the board of directors of the Corporation (the “Board”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting and the Corporation’s auditing, accounting and financial reporting processes.

The objectives of the Committee are to:

- (i) serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements;
- (ii) ensure the independence of the Corporation’s external auditors; and
- (iii) provide better communication among the Corporation’s auditors, the management and the Board.

#### 2. COMPOSITION

The Committee shall be comprised of at least three (3) directors as determined by the Board. The majority of the members of the Committee shall be independent, within the meaning of MI 52-110.

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.

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholders’ meeting. Unless a Chairman is elected by the Board, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

#### 3. MEETINGS AND PROCEDURES

- 3.1 The Committee shall meet at least once annually or more frequently if required.
- 3.2 At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote.
- 3.3 A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the Board.

#### 4. DUTIES AND RESPONSIBILITIES

The following are the general duties and responsibilities of the Committee:

##### 4.1 Financial Statements and Disclosure Matters

- a) review the Corporation's financial statements, MD&A and any press releases regarding annual and interim earnings, before the Corporation publicly discloses such information, and any reports or other financial information which are submitted to any governmental body or to the public; and
- b) must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection a) above, and must periodically assess the adequacy of those procedures.

##### 4.2 External Auditors

- a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually as well the compensation of such external auditors;
- b) oversee the work and review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
- c) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;
- d) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;
- e) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
- f) review the audit plan for the year-end financial statements and intended template for such statements;
- g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:
  - i) the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
  - iii) such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the

Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the aforementioned authority to pre-approve non-audited services, provided the pre-approval of the non-audit services is presented to the Committee at its first scheduled meeting following such approval.

#### **4.3 Financial Reporting Processes**

- a) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
- b) consider the external auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
- c) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
- d) review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- e) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- f) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters and the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters.