



**LAMÉLÉE IRON ORE LTD.**

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
AND MANAGEMENT INFORMATION CIRCULAR**

**FEBRUARY 22, 2016**

## LAMÊLÉE IRON ORE LTD.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting of the shareholders (the “**Shareholders**”) of Lamêlée Iron Ore Ltd. (“**Lamêlée**” or the “**Corporation**”) will be held at the offices of Dentons Canada LLP, at 1 Place Ville-Marie, Suite 3900, Montréal, Quebec, H3B 4M7 on March 22, 2016 at 10:00 a.m. (EST) and any adjournment or adjournments thereof (the “**Meeting**”) for the following annual items, namely:

1. to receive and consider the audited financial statements of Lamêlée for the financial year ended September 30, 2015, together with a report of the auditor thereon;
2. to set the number of directors of Lamêlée at five and to elect Pierre Lortie, Hubert Vallée, Jean Depatie, André La Flèche and Peter H. Smith, who have indicated their willingness to stand for election, to serve as directors of Lamêlée until the next annual meeting or until otherwise resolved; and
3. to appoint Raymond Chabot Grant Thornton LLP, Chartered Accountants, as independent auditor of Lamêlée, to hold office until the close of the next annual meeting and to authorize the board of directors of the Corporation to fix their remuneration.

The Meeting will then consider the following items of special business:

4. to consider, and if thought advisable, to pass, with or without variation, a special resolution to authorize the directors of the Corporation to, in their discretion at any time prior to September 30, 2016, amend the Articles of the Corporation to consolidate the Corporation’s issued and outstanding common shares (the “**Lamêlée Shares**”), on the basis of a ratio to be determined in the sole and absolute discretion of the directors of the Corporation, not to exceed (1) new Lamêlée Share for every twenty (20) existing Lamêlée Shares issued and outstanding, in the form specified in the Information Circular (the “**Share Consolidation Resolution**”);
5. to consider and if thought fit, to pass, with or without amendment, an ordinary resolution to approve the Corporation’s stock option plan (the “**Stock Option Plan Resolution**”) in the form specified in the Information Circular;
6. to consider and if thought fit, to pass, with or without amendment, a resolution of disinterested shareholders to approve the Corporation’s issuance of Lamêlée Shares for debt to three service providers which are associated with insiders (the “**Shares for Debt Resolution**”) in the form specified in the Information Circular;
7. to consider, and if thought advisable, to cast an advisory vote (the “**Advisory Vote**”) with respect to the intent of the directors of the Corporation to, in their discretion at any time prior to September 30, 2016, return Lamêlée’s claims specified in Schedule A and Schedule B to Fancamp Exploration Ltd. (“**Fancamp**”) pursuant to a contractual obligation and to accept the return for cancellation of all Lamêlée Shares held by Fancamp to Lamêlée, on a voluntary basis, in the form specified in the Management Proxy Circular for this Meeting (the “**Information Circular**”);
8. to consider and if thought fit, to pass, with or without amendment, a special resolution (the “**Name Change Resolution**”) to approve a change of name to “Corporation minière Lamêlée / Lamêlée Mining Corporation” (or to such other name as may be chosen by the directors of Lamêlée and acceptable to regulators), as more particularly described in the accompanying Information Circular.

9. if no transaction which is considered to be in the Shareholders' best interest is concluded with a third party by September 30, 2016, to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Dissolution Resolution**") of the Shareholders approving the voluntary dissolution (the "**Dissolution**") of the Corporation pursuant to Section 211(3) of the *Canada Business Corporations Act* (the "**CBCA**"), and following the satisfaction of any and all liabilities and obligations owed to the creditors of the Corporation, the distribution of the remaining property of the Corporation, if any, ratably among the Lamêlée's Shareholders according to their rights and interests in the Corporation, in the form specified in the Information Circular; and
10. if no transaction which is considered to be in the Shareholders' best interest is concluded with a third party by September 30, 2016, to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution (the "**Delisting Resolution**") of the Shareholders authorizing the delisting (the "**Delisting**") of the Lamêlée Shares from trading on the TSX Venture Exchange (the "**TSXV**") should the Dissolution Resolution be approved, in the form specified in the Information Circular.

The Meeting will then consider the following further item of business:

11. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The details of the matters proposed to be brought before the Meeting, including the text of resolutions referred to above, are set forth in the Information Circular and in the Schedules thereto accompanying and forming part of this Notice.

The record date for the determination of the Shareholders entitled to receive notice of and to vote at the Meeting is December 31, 2015. **A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be mailed so as to reach or be deposited with the office of Computershare Investor Services, 100 University Ave, 8th Floor, Toronto ON, M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time set for the Meeting or any adjournment thereof.**

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized.

**The persons named in the enclosed form of proxy for Lamêlée are directors and/or officers of Lamêlée. Each Shareholder has the right to appoint a proxy holder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

Montreal, Québec  
February 22, 2016

**BY ORDER OF THE BOARD OF DIRECTORS**

(s) *Pierre Lortie*

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Chairman

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## GLOSSARY OF TERMS

*Whenever used in this Information Circular including the summary hereof, unless the context otherwise requires, the following terms shall have the indicated meanings and grammatical variations of such words and terms have corresponding meanings. Words importing the singular number, where the context requires, include the plural and vice versa and words importing any gender include all genders. In this Information Circular, unless otherwise noted, all dollar amounts are expressed in Canadian dollars.*

**“Additional Claims”** means the 30 mineral claims located south of the Initial Claims located in northeastern Quebec near the border with Newfoundland and Labrador, approximately 50 kilometres south of the city of Fermont, in the Province of Québec, which are described in Schedule B.

**“Affiliate”** means a company that is affiliated with another company as described below: A company is an Affiliate of another company if:

- (a) one of them is the subsidiary of the other, or
- (b) each of them is controlled by the same Person.

A company is “controlled” by a Person if:

- (a) voting securities of the company are held, other than by way of security only, by or for the benefit of that Person, and
- (b) the voting securities, if voted, entitle the Person to elect a majority of the directors of the company.

A Person beneficially owns securities that are beneficially owned by:

- (a) company controlled by that Person, or
- (b) an Affiliate of that Person or an Affiliate of any company controlled by that Person;

**“Associate”** when used to indicate a relationship with a Person, means: (a) a company of which such Person beneficially owns or controls, directly or indirectly, voting securities entitling the Person to more than 10% of the voting rights attached to outstanding securities of the company; (b) any partner of the Person; (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity; or (d) in the case of a Person, which is an individual, a relative of that Person who resides in the same home as that Person or any Person who resides in the same home as that Person and to whom that Person is married or with whom that Person is living in a conjugal relationship outside marriage, or any relative of such a Person who has the same home; but where the TSXV determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.

**“BCBCA”** means the *Business Corporations Act* (British Columbia), as from time to time amended, and including any regulations promulgated thereunder.

**“Board”** means the board of directors of Lamêlée.

**“Business Day”** means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open in the City of Montreal, Québec for the transaction of banking business.

“**CBCA**” means the *Canada Business Corporations Act*, as from time to time amended, and including any regulations promulgated thereunder.

“**Change of Control**” means:

- (i) the transfer to or acquisition of at least twenty percent (20%) of the total issued and outstanding Lamêlée Shares from time to time, by one person or a group of persons acting in concert, either through one transaction or a series of transactions over time after the date hereof, and whether through the acquisition of previously issued voting securities, voting securities that have not been previously issued, or any combination thereof, or any transaction having a similar effect;
- (ii) twenty percent (20%) or more of the issued and outstanding Lamêlée Shares become subject to a voting trust;
- (iii) a majority of the Board consists of individuals which the incumbent Board of the Corporation has not nominated for election or appointment as directors;
- (iv) the Corporation, directly or indirectly, amalgamates, consolidates or otherwise merges with any other body corporate or bodies corporate, other than a wholly-owned subsidiary;
- (v) the Corporation decides to sell, lease, or otherwise dispose of all or substantially all of its assets and undertaking, whether in one or more transactions;
- (vi) the Corporation enters into a transaction or arrangement which would have the same or similar effect as the transactions referred to in sub-paragraphs (i) to (iv) above.

“**Claims**” means the Initial Claims and the Additional Claims.

“**company**” unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Corporation**” means Lamêlée Iron Ore Ltd., a company incorporated pursuant to the CBCA.

“**Debts**” has the meaning provided under the “Shares for Debt” section of the Information Circular.

“**Fancamp**” means Fancamp Exploration Ltd., a company incorporated pursuant to the BCBCA.

“**Information Circular**” means this management proxy circular prepared in connection with the Meeting including all appendices hereto.

“**Informed Person**” means:

- i. a director or executive officer of a reporting issuer;
- ii. a director or executive officer of a person or company that is itself an informed person or subsidiary of a reporting issuer;
- iii. any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of a reporting issuer or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and
- iv. a reporting issuer that has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

“**Insider**” in relation to an issuer means: (i) a director or senior officer of the issuer; (ii) a director or senior officer of a company that is an Insider or subsidiary of the issuer; (iii) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or (iv) the issuer itself if it holds any of its own securities.

“**Instrument of Proxy**” means the instrument of proxy accompanying this Information Circular for use by Shareholders in connection with the Meeting.

“**IFRS**” means international financial reporting standards.

“**Initial Claims**” means the 29 mineral claims covering approximately 15 km<sup>2</sup> located in northeastern Quebec near the border with Newfoundland and Labrador, approximately 50 kilometres south of the city of Fermont, in the Province of Québec, which are described in Schedule A.

“**Lamêlée**” means Lamêlée Iron Ore Ltd., a company incorporated pursuant to the CBCA.

“**Lamêlée Shares**” means common shares in the capital of Lamêlée.

“**Meeting**” means the annual and special meeting of the Shareholders, to be held on March 22, 2016 at 10:00 a.m. (EST) at the offices of Dentons Canada LLP, at 1 Place Ville-Marie, Montreal, Québec.

“**Member**” has the meaning given to it in Rule A.1.00 of the TSXV;

“**Notice of Meeting**” means the notice of meeting distributed to Shareholders in connection with the Meeting.

“**Person**” includes an individual, body corporate, partnership, syndicate or other form of unincorporated entity.

“**Schedules**” means the schedules attached to the Information Circular.

“**Shareholder**” means a holder of Lamêlée Shares.

“**Stock Option Plan**” means the stock option plan of Lamêlée adopted on October 10, 2011, and amended and approved by the Board on January 15, 2014 and on May 22, 2014.

“**Stock Options**” means incentive stock options issued by Lamêlée pursuant to the Stock Option Plan.

“**Stock Option Plan Resolution**” means the ordinary resolutions approving the Stock Option Plan to be voted on at the Meeting.

“**TSX**” means the Toronto Stock Exchange.

“**TSXV**” means the TSX Venture Exchange Inc.

“**TSXV Corporate Finance Manual**” means the TSXV policies, as from time to time amended.

## **PART I - GENERAL INFORMATION IN RESPECT OF THE MEETING**

### **DATE, TIME AND PLACE OF MEETING**

This Information Circular is furnished in connection with the solicitation of proxies by the management of Lamêlée for use at the Meeting to be held on March 22, 2016 at 10:00 a.m. (EST) at the offices of Dentons Canada LLP, at 1 Place Ville-Marie, Montreal, Quebec, and at any adjournment(s) thereof, for the purposes set forth in the accompanying Notice of Meeting. Proxies will be solicited by mail and may also be solicited personally or by telephone or facsimile by the directors or officers of Lamêlée, who will not be specifically remunerated therefore. Unless otherwise indicated, the information contained herein is dated as of February 22, 2016 and all dollar amounts set forth herein are expressed in Canadian dollars.

### **QUORUM FOR THE TRANSACTION OF BUSINESS**

The Corporation's by-laws provide that the holders of record of 5% of the Lamêlée Shares entitled to be voted in person or represented by proxy at a meeting shall constitute a quorum for the transaction of business at the meeting.

### **SOLICITATION OF PROXIES**

Lamêlée may pay the reasonable costs incurred by Persons who are the registered but not beneficial owners of voting securities of Lamêlée (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of this Information Circular, the Notice of Meeting and Instrument of Proxy to the beneficial owners of such securities. Lamêlée will provide, without cost to such Persons, upon request to Lamêlée, additional copies of the foregoing documents required for this purpose.

### **RIGHT OF REVOCATION OF PROXIES AND APPOINTMENT OF PROXYHOLDERS**

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 the person whose name is 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 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 sending 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, at the same address where the form of proxy was sent and within the delays mentioned therein or two Business Days preceding the date the Meeting resumes if it is adjourned, or remit to the chairman of such Meeting on the day of the Meeting or any adjournment thereof if applicable.

### **EXERCISE OF DISCRETIONARY POWER BY PROXIES**

The persons named in the enclosed form of proxy will vote the Lamêlée Shares in respect of which they are appointed in accordance with the instructions of the Shareholder appointing them.

**In the absence of instructions, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.**

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.



Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting, or any adjournment thereof. If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

## **NON-REGISTERED HOLDERS**

The information set forth in this section should be reviewed carefully by the non-registered Shareholders. Shareholders who do not hold their Lamêlée Shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by Shareholders whose names appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Lamêlée Shares will be recognized and acted upon at the Meeting. If Lamêlée Shares are listed in an account statement provided to a Shareholder by a broker, those Lamêlée Shares will, in all likelihood, not be registered in the Shareholder's name. Such Lamêlée Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Lamêlée Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Lamêlée Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Lamêlée Shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer (“**Regulation 54-101**”) of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Lamêlée Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

The vast majority of brokers now delegate responsibility of obtaining instructions from clients to Broadridge Financial Solutions Inc. (“BFSI”) in Canada. BFSI typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFSI, or otherwise communicate voting instructions to BFSI (by way of the Internet or telephone, for example). BFSI then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Lamêlée Shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote Lamêlée Shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of Lamêlée Shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the Lamêlée Shares voted. If you have any questions respecting the voting of Lamêlée Shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

This Information Circular and accompanying materials are being sent to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBO’s”) and those who do not object to their identity being made known to the issuers of the securities they own (“Non-Objecting Beneficial Owners”, or “NOBO’s”). Subject to the provision of Regulation 54-101 issuers may request and obtain a list of their NOBO’s from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of Lamêlée Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Lamêlée Shares on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for delivering these materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation's OBO's can expect to be contacted by BFSI or their brokers or their broker's agents as set out above.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Lamêlée Shares registered in the name of his or her broker (or his or her broker's agent), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Lamêlée Shares as proxyholder for the registered Shareholder by entering his or her own name in the blank space on the proxy form provided to him or her by his or her broker (or his or her broker's agent) and return it to that broker (or that broker's agent) in accordance with the broker's instructions (or the agent's instructions).

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

## **VOTING SHARES AND PRINCIPAL HOLDERS OF SHARES**

### **Voting of Lamêlée Shares - General**

The share capital of the Corporation is made of an unlimited number of Lamêlée Shares without par value. As at the date hereof, there are 90,838,977 Lamêlée Shares issued and outstanding, each of which carries the right to one (1) vote at Shareholders' meetings.

Only Persons registered as holders of Lamêlée Shares as of the close of business on December 31, 2015 are entitled to receive notice of and to vote at the Meeting.

### **Principal Holders of Lamêlée Shares**

As of the date of this Information Circular, no Person is known to Lamêlée, or its directors and officers, to beneficially own, directly or indirectly, or to exercise control or direction over securities carrying more than 10% of the voting rights attached to any class of outstanding voting securities of Lamêlée entitled to be voted at the Meeting, other than as set forth below:

<b>Name of Shareholder</b>	<b>Number of Lamêlée Shares Owned, Controlled or Directed</b>	<b>Percentage of Outstanding Lamêlée Shares</b>
Fancamp Exploration Ltd. Burnaby, British Columbia	43,000,000	47,34%

All other matters and procedures described in the Information Circular remain unaffected. Moreover, all information set forth herein is given as of February 22, 2016. All capitalized terms not otherwise defined herein have the meanings ascribed thereto in the Information Circular.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors, executive officers or employees of Lamêlée or any of its subsidiaries and former directors, executive officers and employees of Lamêlée or any of its subsidiaries had any indebtedness outstanding to Lamêlée or any of its subsidiaries as at the date hereof. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of Lamêlée or any of its subsidiaries.

## **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON AND INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than consulting fees paid to the officers of Lamêlée, who are consultants for the Corporation, management is not aware of any material interest, direct or indirect, of any proposed director, person who has been a director or

executive officer within the last financial year or any Associate or Affiliate of any of the foregoing in any matter, other than the election of directors and appointment of the auditor, to be acted upon at the Meeting, except as disclosed in this Information Circular. Management is not aware of any material interest, direct or indirect, of any Informed Person of the Corporation, Insider of the Corporation, proposed director, person who has been a director or executive officer within the last financial year or any Associate or Affiliate of any of the foregoing, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation, except as disclosed within this Information Circular.

## PART II - MATTERS TO BE ACTED UPON AT THE MEETING

### PRESENTATION OF FINANCIAL STATEMENTS

Lamêlée' consolidated financial statements for the year ended September 30, 2015 and the report of the independent auditor thereon will be tabled at the Meeting but no vote is required with respect thereto. These documents have been disseminated to Shareholders in accordance with applicable laws.

### ELECTION OF DIRECTORS

The following table and the notes thereto state: (i) the names of all persons proposed to be nominated for election as directors, (ii) which are in most cases currently directors of Lamêlée and have been for the periods indicated, (iii) all other positions and offices with Lamêlée now held by them, (iv) their principal occupations or employment, (v) their periods of service as directors of Lamêlée and (vi) the number of Lamêlée Shares beneficially owned or over which control or direction is exercised by each of them as at February 22, 2016:

Name of proposed director and municipality of residence	Title within Lamêlée	Director since	Principal occupation during the last 5 years	Number and percentage of Lamêlée Shares owned or controlled <sup>(1)</sup>
Pierre Lortie <sup>(3)</sup> St-Lambert, Quebec	Chairman of the Board	December 20, 2013	Senior Business Advisor at Dentons Canada LLP	625,000 <sup>(4)</sup> (0.69%)
Hubert Vallée Montréal, Québec	President, CEO and Director	February 18, 2014	President and CEO of Lamêlée from February 2014 to present, Vice-President, Development of Century Iron Mines Corporation from March 2012 to December 2013, Vice-President, Expansion of Cliffs Natural Resources Inc. from April 2011 to February 2012, and Vice-President, Development of Consolidated Thompson Iron Mines Limited from September 2006 to April 2011.	910,692 <sup>(5)</sup> (1.00%)
Jean Depatie <sup>(2)(3)</sup> Montréal, Québec	Director	December 20, 2013	Retired but previously a geologist.	920,000 (1.01%)
André La Flèche <sup>(2)(3)</sup>	Director	January 15, 2014	Vice President, Development of ArcelorMittal Mines Canada from 2009 to 2013 and Vice President, Finance and CFO of ArcelorMittal Mines Canada from January 2004 to December 2009.	100,000 (0.11%)
Peter H. Smith <sup>(2)</sup>	Director	May 12, 2014	Self-employed, Consultant in geology and engineering.	600,000 (0.66%)

**Notes:**

- (1) The information as to the number of Lamêlée Shares beneficially held or over which control is exercised, not being within the knowledge of Lamêlée, has been provided by each director individually.
- (2) Member of the Audit Committee.
- (3) Member of the Human Resources Committee.
- (4) Which are all indirectly held through G&P Montrose Inc., a private company controlled by Mr. Lortie.
- (5) Of which 159,692 are indirectly held through 9288-1846 Quebec Inc., a private company controlled by Mr. Vallée.

**Biographical notes**

**Mr. Pierre Lortie, C.M., FCAE**, is a Senior Business Advisor at the law firm Dentons Canada LLP. He is currently a director of Element Financial Corporation, Quest Rare Minerals Ltd. and Canam Group Inc., listed on the TSX. Mr. Lortie is also director of the Research Center of the McGill University Health Center and of the ETS Centre for Commercialization of Innovation for Manufacturers, President of the Canadian Ditchley Foundation, chairman of the Schmeelk Canada Foundation, a director and member of the Executive Committee of the Conference of Defence Associations Institute and a Governor of the U.K. Ditchley Foundation. He is also a director of the Montreal Cancer Institute. Mr. Lortie was a director of Consolidated Thompson Iron Mines Ltd., listed on the TSX, and Arianne Resources Inc., which trades on the TSXV. Mr. Lortie served as President of the Transition Committee of the Agglomeration of Montreal from its inception in June 2004 to the end of its mandate in December 2005. At Bombardier Inc., Mr. Lortie served as President and Chief Operating Officer of their Transportation, Capital, International and Regional Aircraft groups until December 2003. He has also served as chairman of Canada's Royal Commission on Electoral Reform and Party Financing. He has been chairman of the board, President and Chief Executive officer of Proviso Inc., President and Chief Executive Officer of the Montreal Stock Exchange and a Senior Partner of Secor Inc. Mr. Lortie is a Fellow and President of the Canadian Academy of Engineering. He was awarded the Order of Canada in 2001.

**Mr. Hubert Vallée, P. Eng.**, has been a leader in the mining industry for 28 years. From his start as a Project Engineer in the head office of Quebec Cartier Mining, he rose to Operations Manager at its pellet plant with responsibility for a \$250 million project by 2001. He managed the Iron Ore Company of Canada's pellet plant in Sept-Îles before joining Domtar Inc. as General Manager of its Lebel-sur-Quévillon Pulp Mill. Based in Montreal, Mr. Vallée was until 2013, since 2010, Senior Vice President of Logistics, Mine Development and Operations for Century Iron Mines Corp. Prior to 2010, he was with Cliffs Natural Resources, which acquired his previous employer, Consolidated Thompson Iron Mines Limited, in 2011. As Senior Vice President, Operation and Logistics of Consolidated Thompson Iron Mines Limited, from 2007 to 2011, Mr. Vallée was part of a small, hands-on management team which brought the first new Labrador Trough iron mine in 35 years into production less than five years from the first stage of permitting. He has substantial direct experience with mine and infrastructure development, and transportation and logistics solutions combining land, rail and shipping operations. He was also responsible for expanding the Bloom Lake Iron Mine by an additional 8 Mt per year of production.

**Mr. Jean Depatie** has over 45 years of national and international experience in economic geology, having acted, directly or indirectly, as consultant for organizations such as the United Nations, the World Bank, the Asian Development Bank, the Commonwealth Agency and the Québec Ministry of Natural Resources. In addition to being a past director of Glamis Gold Ltd. (now Goldcorp Inc.) and Novicourt Inc. (now Xstrata plc), Mr. Depatie was instrumental in the development of Consolidated Thompson through his six-year tenure as a director. Mr. Depatie has also served as officer and/or director to a number of other companies listed on US and Canadian stock exchanges. Mr. Depatie is a former President of the Québec Professional Association of Geologists and Geophysicists (1980-81). Mr. Depatie is an economic geologist. He received an award of excellence in 1990 from the Québec Department of Energy and Resources.

**Mr. André La Flèche** was until his retirement in December 2013, Vice President, Development, at ArcelorMittal Mines (Canada). He was also a member of the board of directors of the business unit since April 2009. Since 2011, as Vice President, Development, he led all of ArcelorMittal Mines Canada's projects under development, which encompassed acquisitions and project expansions. From 2004 to 2009, Mr. La Flèche was Vice President, Finance and CFO, and assumed on an interim basis the position of company Secretary. He also served for 6 years on the Compensation and Human Resources Committee and acted as Chairman of the Pension Plan Committee. Prior to joining ArcelorMittal Mines Canada, Mr. La Flèche was a Financial Mining Consultant for a number of major

national and international companies. These included VP Finance and Administration for Alcan, Alcoa, Alstom and Cooper & Lybrand in Canada and abroad. He is member of the Canadian Institute of Chartered Accountants (CICA) and the Order of Professional Chartered Accountants of Quebec.

**Mr. Peter H. Smith**, PhD, P.Eng is a director and a founder of Fancamp. He is Chairman of the Board, President and CEO. He is a Consulting Geologist and has over many years been a consultant to other mining exploration firms in North and South America, Europe and Africa. Mr. Smith is currently a director and President of The Magpie Mines Inc. Mr. Smith has been a director of Fancamp since January 1986. He served as a director of Argex Titanium Inc. (“Argex”) from October 2009 to May 2013 and was a member of the audit committee. Argex is engaged principally in the development of a TiO<sub>2</sub> pigment production plant. He served as a director of Litewave Corp. since January 2010. Mr. Smith served as a director of St Georges Platinum and Base Metals Ltd. until October 2010 and served as a director of Golden Hope Mines Limited from May 1997 to August 2009. Mr. Smith has been a director of Uragold Bay Resources Inc. since September 2014. He was also formerly with AMAX Exploration Ltd., Falconbridge Nickel Mines Ltd. and Geological Survey of Canada. Mr. Smith is a member of the Ontario Order of Professional Engineers and was a director of The Prospectors and Developers Association of Canada from 1998 to 2010. He remains a member of the Aboriginal Affairs Committee of the PDAC.

### **Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

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 subject to a cease trade order, 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, except Mr. Lortie who until June 2015 was Chairman of Biocean Canada Inc. which, on October 10<sup>th</sup>, 2014, has filed a Notice of Intention to make a proposal under the Bankruptcy and Insolvency Act (Canada); 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.

***UNLESS INSTRUCTED OTHERWISE, THE MANAGEMENT DESIGNEES OF LAMÊLÉE IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE ELECTION, AS DIRECTORS, OF THE NOMINEES WHOSE NAME ARE SET FORTH IN THE TABLE ABOVE.***

**In order to be adopted, these resolutions must be approved by a simple majority of the votes cast in respect thereof.**

The directors elected will hold office until the next annual meeting or until their successors are appointed, unless their office is earlier vacated in accordance with the CBCA.

#### **APPOINTMENT OF INDEPENDENT AUDITOR**

The Board proposes that Raymond Chabot Grant Thornton LLP, chartered accountants, be appointed as independent auditor of Lamêlée for the fiscal year ending September 30, 2015. Raymond Chabot Grant Thornton, LLP, Chartered Accountants, have been the auditor of Lamêlée since 2011.

***UNLESS INSTRUCTED OTHERWISE, THE MANAGEMENT DESIGNEES OF LAMÊLÉE IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE APPOINTMENT OF RAYMOND CHABOT GRANT THORNTON, LLP, CHARTERED ACCOUNTANTS, MONTREAL, QUEBEC, AS THE AUDITOR OF LAMÊLÉE TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND AUTHORIZING THE BOARD TO FIX THE REMUNERATION OF THE AUDITOR.***

#### **STRATEGIC REVIEW**

The surge in iron ore supply from Australia and Brazil and slowing demand in China caused seaborne iron prices to plummet in 2015. Forecasts for 2016 project a continued erosion of iron ore prices. Financial markets react to this situation by significantly curtailing the availability of funds for the development of new mines. Reviewing the situation, the actions of the major iron miners to defend market share and industry forecasts with respect to the evolution of global steel and iron ore markets, the Board concluded that it is most likely that iron ore prices will remain depressed and access to capital markets closed for a period longer than Lamêlée can withstand.

Accordingly, the Board concluded that, given these circumstances, the following course of action was the one that offered present shareholders the best chances to save and better their investment. In a nutshell, the objective is to maximize the value of Lamêlée's listing by performing a merger, amalgamation or business combination with a private mining exploration or junior mining company seeking to acquire a TSXV listed corporation.

To facilitate the achievement of this objective, the following actions, which are described in greater detail below, need to be completed:

- i. a share consolidation to reduce the current number of shares outstanding;
- ii. the potential return of the Claims in the Lamêlée property acquired from Fancamp;
- iii. approval of the Stock Option Plan in order to satisfy regulatory requirements;
- iv. a change in name to eliminate the reference to iron ore.

Should the Board not succeed in completing on acceptable terms the restructuring transaction mentioned above, it would then be necessary to effect a voluntary dissolution and delist from the TSXV.

Several of the above mentioned actions require shareholder approval. We request that you approve the various components of this plan of action.

## SHARE CONSOLIDATION

In order to increase the chances of the Corporation to attract parties to reorganize with it, it is deemed necessary to undertake a share consolidation in order to reduce the number of Lamêlée Shares outstanding to a level more appropriate for a new venture.

Sub-section 173(1)(h) of the CBCA requires that a consolidation of shares must be approved by a special resolution of holders of such class of shares at a meeting called for the purpose of considering the consolidation. The Board is seeking the approval of the Shareholders to authorize the Corporation to amend the Articles of the Corporation, if and when the Board deems appropriate but no later than June 30, 2016, to consolidate the Lamêlée Shares on the basis of a ratio to be determined in the sole and absolute discretion of the Board, but not to exceed one (1) new Lamêlée Share for each twenty (20) existing Lamêlée Shares that are issued and outstanding (the “**Share Consolidation**”). Sub-section 173(2) of the CBCA gives the Board the option to seek authority from the Shareholders to defer acting on such special resolution or revoke such special resolution before it is acted upon without further approval of the Shareholders. The Board is seeking such authority from the Shareholders. In exercising its authority, the Board will consider the advisability of proceeding to complete the Share Consolidation.

If the Share Consolidation would result in a registered Shareholder holding a fraction of a Lamêlée Share, no fraction or fractional share or certificate will be issued. In the event that the Share Consolidation would result in a registered Shareholder of the Corporation holding a fraction of a Lamêlée Share, such fractional Lamêlée Share, shall be rounded down to the nearest whole number of Lamêlée Share and any fractional Lamêlée Share post Share Consolidation interest will be cancelled without consideration. In all other respects, the post-consolidated Lamêlée Shares will have the same attributes as the existing Lamêlée Shares. A Share Consolidation does not change a Shareholder's proportionate interest in the Corporation, even though such ownership will be represented by a smaller number of Lamêlée Shares.

The principal effect of the Share Consolidation will be that the number of Lamêlée Shares issued and outstanding will be reduced from 90,838,977 Lamêlée Shares as of February 22, 2016 to a minimum of 4,541,948 Lamêlée Shares (or 4,608,659 Lamêlée Shares if the Debts are converted into Lamêlée Shares). The following table sets out the approximate percentage reduction in the number of outstanding Lamêlée Shares and the approximate number of Lamêlée Shares that would be outstanding as a result of a Share Consolidation at the ratios indicated:

<b>Proposed Consolidation Ratio</b>	<b>Approximate Percentage Reduction in Number of Outstanding Lamêlée Shares</b>	<b>Approximate Number of Outstanding Lamêlée Shares (Post-Consolidation)</b>
Total outstanding: 90,838,977 Lamêlée Shares		
1 for 10	90.0%	9,083,897
1 for 20	95.0%	4,541,948
<b><u>If the Debts are converted into Lamêlée Shares as per the following items</u></b> Total outstanding: 92,173,184 Lamêlée Shares		
1 for 10	90.0%	9,217,318
1 for 20	95.0%	4,608,659

In general, the Share Consolidation will not be considered to result in a disposition of Lamêlée Shares by Shareholders for Canadian federal income tax purposes. The aggregate adjusted cost base to a Shareholder for such purposes of all Lamêlée Shares held by the Shareholder will not change as a result of the Share Consolidation; however, the Shareholder's adjusted cost base per Lamêlée Share will increase proportionately.



There can be no assurance however that the total market capitalization of the Corporation (the aggregate value of all Lamêlée Shares at the market price then in effect) immediately after the Share Consolidation will be equal to or greater than the total market capitalization immediately before the Share Consolidation. In addition, there can be no assurance that the per-share market price of the Lamêlée Shares following the Share Consolidation will equal or exceed the direct arithmetical result of the Share Consolidation. In addition, a decline in the market price of the Lamêlée Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of a Share Consolidation and the liquidity of the Lamêlé Shares could be adversely affected.

In addition to the issued and outstanding Lamêlée Shares, the Lamêlée Shares currently reserved for issuance by the Corporation will be adjusted to give effect to the Share Consolidation, such that the number of consolidated Lamêlée Shares issuable will equal the number obtained when the number of Lamêlée Shares issuable is divided by the conversion number and the exercise prices of outstanding Stock Options to purchase consolidation Lamêlée Shares will equal the price obtained by multiplying the existing exercise price by the conversion number. To pass, the Share Consolidation resolution (the “**Share Consolidation Resolution**”) must be approved by an affirmative vote of not less than 66 2/3% of the votes cast by the shareholders, present in person or represented by proxy and entitled to vote at the Meeting.

***UNLESS SPECIFIED IN THE ENCLOSED FORM OF PROXY THAT LAMÊLÉE SHARES REPRESENTED BY THE FORM OF PROXY SHOULD BE VOTED AGAINST THE SHARE CONSOLIDATION RESOLUTION, THE MANAGEMENT REPRESENTATIVES DESIGNATED IN THE FORM OF PROXY INTEND TO VOTE “FOR” THE SHARE CONSOLIDATION RESOLUTION.***

Notwithstanding the foregoing, the Share Consolidation Resolution authorizes the Board, without further notice to or approval of the Shareholders, to decide not to proceed with the Share Consolidation Resolution and to revoke such Share Consolidation Resolution at any time prior to its becoming effective. The full text of the Share Consolidation Resolution appears hereinafter:

**“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:**

1. subject to regulatory approval, the Corporation be and is hereby authorized to amend the Articles of the Corporation, if and when the directors shall deem appropriate to do so, but in any event no later than June 30, 2016, to consolidate the total number of issued and outstanding Lamêlée Shares into a different number of fully paid Lamêlée Shares on the basis of a ratio to be determined in the sole and absolute discretion of the directors of the Corporation, but not to exceed one new Lamêlée Share for every twenty (20) Lamêlée Shares issued and outstanding immediately prior to the date that a Certificate of Amendment is issued by the Director appointed pursuant to the *Canada Business Corporations Act*;
2. no fractional post-Share Consolidation Lamêlée Shares shall be issued in connection with the Share Consolidation and, in the event that a shareholder would otherwise be entitled to receive a fractional post-Share Consolidation Lamêlée Share, the number of post-Share Consolidation Lamêlée Shares to be issued to such shareholder shall be rounded down to the nearest whole number of Lamêlée Shares and the fractional post-Share Consolidation Lamêlée Share interest will be cancelled without consideration, all as now fully described in the Information Circular of the Corporation; the Board, in its sole discretion, be and is hereby authorized to implement the Share Consolidation;
3. any one director or officer of the Corporation be and the same is hereby authorized and directed to execute on behalf of the Corporation, and to deliver and to cause to be delivered, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as said director or officer shall determine to be necessary or desirable in order to carry out the intent of the foregoing resolutions and the matters authorized thereby; such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the doing of any such act or thing;
4. despite the foregoing, the directors may revoke this resolution without further approval of the Shareholders at any time prior to the endorsement by the Director of a certificate of amendment of articles in respect of the foregoing.”

If the proposed resolution is passed at the Meeting and the Board determines to proceed with the Share Consolidation, the Corporation will announce that it is proceeding with the consolidation. Registered Shareholders should then, at that time, complete, sign and return the letter of transmittal that will be sent to such registered holders, along with the share certificate(s) representing their pre-consolidation Lamêlée Shares, to Computershare Investor Services at one of the addresses in the letter of transmittal. Upon receipt of a properly-completed and signed letter of transmittal and the share certificate(s) referred to in the letter of transmittal, the Corporation will arrange to have a new share certificate representing the appropriate number of post-consolidation Lamêlée Shares delivered in accordance with the instructions provided by the holder in the letter of transmittal. No delivery of a new certificate to a Shareholder will be made until the Shareholder has surrendered his current issued certificates. Until surrendered, each share certificate formerly representing old Lamêlée Shares shall be deemed for all purposes to represent the number of new Lamêlée Shares to which the holder is entitled as a result of the Share Consolidation.

If your Lamêlée Shares are registered in the name of a nominee (e.g. a trust Corporation, securities broker, or other financial institution), you will not receive a letter of transmittal and you should contact your nominee to determine if you need to do anything to effect the consolidation of your Lamêlée Shares.

## **STOCK OPTION PLAN**

Although the Board has no plan to award Stock Options under the current circumstances, the maintenance of the Stock Option Plan in accordance with the TSXV rules is considered important in the eventuality that Lamêlée was to merge or be acquired by a private company. The award of options to the team appointed to manage the restructured operations is an essential incentive tool that must be maintained.

The Stock Option Plan of Lamêlée which was adopted on October 10, 2011 was amended on January 15, 2014 and on May 22, 2014.

Pursuant to the TSXV Corporate Finance Manual, the Stock Option Plan must be ratified annually by the Shareholders at the annual general meeting, by a majority of the votes cast at the meeting. Accordingly, the Shareholders will be asked to consider and, if thought appropriate, to approve the Stock Option Plan Resolution, and to authorize the Board to make any amendments thereto that may be required for the purpose of obtaining any necessary regulatory approvals.

The following information is intended to be a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan as also set out in Schedule C, subject to any revisions or amendments deemed necessary by the Board:

- (i) the maximum number of Lamêlée Shares that may be issued under the Stock Option Plan is limited to 10% of the Lamêlée Shares issued and outstanding at the time of the grant of the Stock Options;
- (ii) the number of Lamêlée Shares reserved for issuance during a 12 month period cannot exceed the following percentage of issued and outstanding Lamêlée Shares, being:
  - (a) 5% in the case of an eligible person that is not a consultant;
  - (b) 2% in the case of a consultant; and
  - (c) 2% for all persons providing investor relation activities;
- (iii) the Stock Options to be granted under the Stock Option Plan to Insiders, within a 12-month period, are limited to 10% of the issued Lamêlée Shares;
- (iv) the exercise price of the Stock Options shall not be less than the closing price of the Lamêlée Shares on the TSXV on the last day preceding the grant during which there were transactions;

- (v) the Stock Options are non-assignable and have a maximum term of 10 years. If the expiry date of a Stock Option falls during a trading blackout period imposed by the Corporation or the Board in accordance with the Corporation's Insider trading policy or otherwise, the expiry date of the Stock Option shall be automatically extended to the tenth Business Day following the end of such blackout period;
- (vi) the Stock Options shall terminate upon the death, retirement, resignation or termination of employment of the beneficiary, the beneficiaries or their heirs sometimes having additional delays (that cannot exceed 12 months) stipulated by the Stock Option Plan to exercise their Stock Options; and
- (vii) the proceeds from the exercise of the Stock Options will be used for the working capital of the Corporation.

The approval by Shareholders requires a favourable vote of a majority of the Lamêlée Shares voted in respect thereof at the Meeting.

The full text of the Stock Option Plan Resolution appears hereinafter:

**“BE IT RESOLVED, AS ORDINARY RESOLUTIONS, THAT:**

1. the Stock Option Plan in substantially the form as set out in Schedule C be and is hereby approved as the Stock Option Plan of Lamêlée, subject to any limitations imposed by applicable regulations, laws, rules and policies;
2. the Stock Option Plan may be amended by the Board at any time in order to satisfy the requirements or requests of any regulatory authorities, without requiring further approval of the Shareholders;
3. any officer or director of Lamêlée is hereby authorized and directed for and on behalf of Lamêlée to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments and the taking of any such actions.”

***MANAGEMENT OF LAMÊLÉE INTENDS TO PLACE BEFORE THE MEETING, FOR APPROVAL, WITH OR WITHOUT MODIFICATION, THE STOCK OPTION PLAN RESOLUTION AS MORE PARTICULARLY SET FORTH ABOVE.***

***UNLESS INSTRUCTED OTHERWISE, THE MANAGEMENT DESIGNEES OF LAMÊLÉE IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE STOCK OPTION PLAN RESOLUTION.***

**SHARES FOR DEBT**

Given that the access to capital markets is essentially closed for small exploration companies like Lamêlée, it has limited cash to pay for its operating expenses. Accordingly, Lamêlée is currently unable to pay in cash for service fees that it recently incurred with service providers associated with three insiders (the “**Debts**”):

Service Provider	Insider and Position	Services Provided	Amount Owed	Price per Lamêlée Share <sup>(1)</sup>	No. of Lamêlée Shares
9291-2609 Québec Inc.	Ghislain Arel Vice-President, Mining Development and Environment	<ul style="list-style-type: none"> <li>- Participating in different studies;</li> <li>- Leading mine development, environmental study, process and other projects;</li> <li>- Budget preparation;</li> <li>- Working with exploration team for economic development;</li> <li>- Claim evaluation and renewal;</li> <li>- Geology work with geology consultant regarding sample analysis and resource update;</li> <li>- Laboratory proposal for sample analysis;</li> <li>- Geology interpretation.</li> </ul>	\$8,623.12	\$0.05	172,462
9286-7076 Québec Inc.	Pascal Vallée Vice-President project development and logistics	<ul style="list-style-type: none"> <li>- Review of the logistical plan and the port installations.</li> <li>- Work on the master plan for the port installations and validate the needs with the consultant of the City of Port-Cartier.</li> </ul>	\$14,357.51	\$0.05	287,150
Dentons Canada LLP	Carole Turcotte Director and Secretary	<ul style="list-style-type: none"> <li>- Provide legal services to Lamêlée regarding normal operating matters and regarding the drafting of this Information Circular and all of the transaction that are contemplated therein.</li> </ul>	\$43,729.76	\$0.05	874,595

(1) The market price of the Lamêlée Shares on February 22, 2016 was \$0.015.

The remaining cash on hand is otherwise committed to pay the fees incurred to satisfy regulatory requirements, laboratory tests, the renewal of claims and the annual shareholders meeting.

If the payment of the Debts by Lamêlée is considered a related party transaction, Lamêlée would be exempt for the formal valuation requirement as it is listed on the TSXV (see Section 5.5(b) of Regulation 61-101). Moreover, Lamêlée would be exempt from the minority approval requirement as Lamêlée does not have the financial resources to pay the Debts. The payment of the Debts in Lamêlée Shares is designed to improve the financial position of Lamêlée in order to help with the conclusion of a third party transaction or in order to proceed with the dissolution of Lamêlée as it would not be possible with outstanding debt.

**“BE IT RESOLVED, AS A RESOLUTION OF DISTINTERESTED SHAREHOLDERS, THAT:**

1. Lamêlée Shares be issued to pay for the Debts, subject to any limitations imposed by applicable regulations, laws, rules and policies;
2. any officer or director of Lamêlée is hereby authorized and directed for and on behalf of Lamêlée to execute or cause to be executed and to deliver or cause to be delivered, all such documents, agreements and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments and the taking of any such actions.”

The interested shareholders include Ghislain Arel and Pascal Vallée. Mr. Arel holds 205,000 Lamêlée Shares and Mr. Vallée holds 202,000 Lamêlée Shares which will not be considered in the vote of disinterested shareholders. Carole Turcotte does not hold Lamêlée Shares.

***MANAGEMENT OF LAMÊLÉE INTENDS TO PLACE BEFORE THE MEETING, FOR APPROVAL, WITH OR WITHOUT MODIFICATION, THE SHARES FOR DEBT RESOLUTION AS MORE PARTICULARLY SET FORTH ABOVE.***

***UNLESS INSTRUCTED OTHERWISE, THE MANAGEMENT DESIGNEES OF LAMÊLÉE IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE SHARES FOR DEBT RESOLUTION.***

**FANCAMP POTENTIAL TRANSACTION**

On February 16, 2011, Fancamp entered into a sale and royalty agreement (the “**Sheridan Sale Agreement**”) with The Sheridan Platinum Group Ltd. (the “**Sheridan Group**”), whereby it purchased the 50% interest held by the Sheridan Group in the Initial Claims (in order to obtain a 100% interest in the Initial Claims) in consideration for the grant to the Sheridan Group of a one point five (1.5%) net smelter return (the “**Sheridan NSR Royalty**”) affecting the Initial Claims, of which zero point five percent (0.5%) may be purchased by Fancamp for one million five hundred thousand dollars (\$1,500,000). Pursuant to the Sheridan Sale Agreement, an advance royalty of one hundred thousand dollars (\$100,000) per annum was to be paid quarterly by Fancamp to the Sheridan Group beginning March 31, 2011 (the “**Advance Royalty**”) on account of the Sheridan NSR Royalty.

On September 16, 2013, Fancamp sold its rights, title and interests in the Initial Claims to Lamêlée (previously known as Gimus Resources Inc.) in consideration for the issuance of 43,000,000 Lamêlée Shares and a one point five (1.5%) net smelter return affecting the Initial Claims, of which zero point five percent (0.5%) may be purchased by Lamêlée for one million five hundred thousand dollars (\$1,500,000). Fancamp also assigned and transferred unto Lamêlée all of its rights, interests, duties and obligations under the Sheridan Sale Agreement in connection with the Sheridan NSR Royalty and the Advance Royalty. Fancamp however agreed to pay, to the exoneration of Lamêlée, the yearly Advance Royalty payments for an aggregate amount of five hundred thousand dollars (\$500,000) on their due date, which would make Lamêlée’s first Advance Royalty payment on March 31, 2016.

On July 2, 2014, Fancamp transferred the Additional Claims to Lamêlée. Pursuant to the Sheridan Sale Agreement, if any party acquires any ground within a ten kilometer radius from the Initial Claims, such ground is to become part of the Sheridan Sale Agreement for royalty purposes. The Additional Claims are within a ten kilometer radius of the Initial Claims.

Pursuant to an Assignment and Assumption Agreement dated June 12, 2015, the Sheridan Group transferred unto SPG Royalties Inc. all of its rights, obligations and beneficial interests in connection with the Sheridan NSR Royalty and the Advance Royalty, which SPG Royalties Inc. transferred on the same date to Fancamp.

On February 19, 2016, Fancamp waived the payment of the Advance Royalty due on March 31, 2016, which would postpone Lamêlée's first Advance Royalty payment to June 30, 2016.

The Sheridan Sale Agreement states that if any of the Claims is to be abandoned, it shall be returned to the Sheridan Group. Any default on the Sheridan Sale Agreement will be considered abandonment of the Claims and the Sheridan Sale Agreement shall be null and void and the Claims returned to the Sheridan Group with all technical data or any nature whatsoever referring to the Claims.

Lamêlée may not be in a position to make the payment of the Advance Royalty on June 30, 2016 and, in such a case, will become in default under the Sheridan Sale Agreement. Accordingly, in such circumstances, Lamêlée will have a contractual obligation to return the Claims to Fancamp on the due date. Thereafter, Lamêlée will no longer have an obligation in respect to the Sheridan NSR Royalty and the Advance Royalty as the Sheridan Sale Agreement will become null and void. If such was to occur, Fancamp has informed Lamêlée that in order to support Lamêlée's management initiatives to restructure the company, Fancamp may decide to voluntarily return all of its Lamêlée Shares for cancellation, even if the operations of Lamêlée continue afterwards. Such reduction in the number of issued and outstanding Lamêlée Shares will make Lamêlée more attractive for potential partners who seek a public company structure for their own project and would be more fair for the remaining Shareholders.

Should Fancamp, on its own initiative after the share consolidation, voluntarily return all its Lamêlée Shares for cancellation, then the approximate number of outstanding Lamêlée Shares will be a minimum of 2,391,948 Lamêlée shares (or 2,458,659 Lamêlée Shares if the Debts are converted into Lamêlée Shares as per the previous item).

Although the return of the Claims to Fancamp and the return of Fancamp's Lamêlée Shares would be concurrent (the "**Fancamp Potential Transaction**"), the voluntary return of the Lamêlée Shares held by Fancamp would not constitute an offer to redeem the Lamêlée Shares by Lamêlée or a consideration for the return of the Claims as such action is a contractual obligation and the return of the Claims would effectively be done without consideration. Accordingly, no issuer bid will take place.

Lamêlée considers the Fancamp Potential Transaction to be an exempt related party transaction pursuant to Regulation 61-101 *respecting protection of minority security holders in special transactions* ("**Regulation 61-101**"). Since Fancamp is a person that has beneficial ownership of, or control or direction over, directly or indirectly, Lamêlée Shares carrying more than 10% of the voting rights attached to all issued and outstanding Lamêlée Shares, it is a related party. However, Regulation 61-101 provides that the related party transaction provisions do not apply when Lamêlée is obligated to and carries out a transaction substantially under the terms that were agreed to, and generally disclosed before the issuer became a reporting issuer. Although Fancamp assigned and transferred unto Lamêlée all of its rights, interests, duties and obligations under the Sheridan Sale Agreement on September 16, 2013, the Sheridan Sale Agreement was executed on February 16, 2011 and Lamêlée became a reporting issuer in November 2011.

Even if the related party transaction provisions were to apply, Lamêlée would be exempt for the formal valuation requirement as it is listed on the TSXV (see Section 5.5(b) of Regulation 61-101). Moreover, Lamêlée would be exempt from the minority approval requirement as Lamêlée does not have the financial resources to pay the Advance Royalty and will therefore have the contractual obligation to return the Claims to Fancamp on June 30, 2016. The Fancamp Potential Transaction is designed to improve the financial position of Lamêlée (further to the return of the Claims, Lamêlée will no longer have an obligation in respect to the Sheridan NSR Royalty and the

Advance Royalty and Lamêlée will have the opportunity to cancel all the issued and outstanding Lamêlée Shares owned by Fancamp which could not happen otherwise).

Although Shareholders' approval is not required to be obtained by Lamêlée given the contractual nature of the Fancamp Potential Transaction and the fact that it is exempt from Regulation 61-101, Lamêlée nevertheless wishes to make the Shareholders aware of the situation and to obtain the support of Shareholders for the Fancamp Potential Transaction. Irrespective of the results of this vote however, in the absence of payment of the Advance Royalty on June 30, 2016, Lamêlée will have the contractual obligation to return the Claims to Fancamp on the due date. If such was to occur, all Lamêlée's independent directors, acting in good faith, are of the opinion that the terms of the Fancamp Potential Transaction described herein would be reasonable under the circumstances (Section 5.7(1)(e) and Section 5.5(g) of Regulation 61-101).

### **Shareholder Advisory Vote**

At the Meeting, Shareholders will be asked to consider and vote on the following resolution:

1. On an advisory basis and not to diminish the role and responsibilities of the Board, the Shareholders support the approach proposed by the Board to return the Claims to Fancamp and to accept and cancel Fancamp's Lamêlée Shares.

As this vote will be an advisory vote, the results will not be binding. However, the Board will take the results of the vote into account, as appropriate, together with feedback received from Shareholders.

### **NAME CHANGE**

Management proposes that the Corporation change its name to one which is more generic and not tied to iron ore in order to facilitate the restructuring. Accordingly, Lamêlée Shareholders' approval will be sought at the Meeting by way of a special resolution to change the Corporation's name from "Lamêlée Iron Ore Ltd. / Lamêlée Minerais de Fer Ltée", to "Corporation minière Lamêlée / Lamêlée Mining Corporation" or to any other name that may be acceptable to management, Corporation Canada and the TSXV.

In order for the Name Change to be completed, the Name Change Resolution must be passed by that two-thirds of the votes cast at the Meeting by the Lamêlée Shareholders. If the Name Change Resolution does not receive the necessary approvals from Lamêlée Shareholders present in person or by proxy at the Meeting, Lamêlée will not proceed with the Name Change.

The full text of the Name Change Resolution appears hereinafter:

#### **"BE IT RESOLVED, AS SPECIAL RESOLUTIONS, THAT:**

1. subject to regulatory approval and a transaction being concluded with a third party before June 30, 2016, effective upon the filing of a Articles of Amendments with Corporation Canada, the name of the Corporation be changed from "Lamêlée Iron ore Ltd. / Lamêlée Minerais de fer Ltée" to "Corporation minière Lamêlée / Lamêlée Mining Corporation" (or to such other name as may be chosen by the directors of the Corporation and acceptable to regulators);
2. the Articles of the Corporation be altered accordingly; and
3. any one director or officer of the Corporation is, and the agents of the Corporation are, hereby authorized and directed for and on behalf of the Corporation to execute and deliver all such documents and instruments and to do all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the above resolutions."

***MANAGEMENT OF LAMÉLÉE INTENDS TO PLACE BEFORE THE MEETING, FOR APPROVAL, WITH OR WITHOUT MODIFICATION, THE NAME CHANGE RESOLUTION AS MORE PARTICULARLY SET FORTH ABOVE.***

***UNLESS INSTRUCTED OTHERWISE, THE MANAGEMENT DESIGNEES OF LAMÉLÉE IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR THE NAME CHANGE RESOLUTION.***

## **VOLUNTARY DISSOLUTION**

### **Background to the Voluntary Dissolution**

Subsequent to the return of the Claims to Fancamp as described above, the Corporation will no longer have any substantive assets or active business operation.

The Corporation's management is actively exploring potential alternatives to maximize the value of its listing, including a potential merger, amalgamation or business combination. The Corporation has received a few offers from mining exploration companies interested in acquiring a TSXV listed corporation, which were considered by the Board. However, none progressed to the point of being a viable offer. Despite management's best efforts, no viable alternatives have been identified to date and the Corporation now has no sources of revenue and limited cash available to maintain its status as a public company.

In the absence of a transaction to reorganize the Corporation by June 30, 2016, the Board has determined that it would be in the best interests of the Shareholders to voluntarily dissolve the Corporation and to apply to delist its Lamélée Shares from the TSXV. The Shareholders will be asked at the Meeting to: (i) approve the Dissolution Resolution; and (ii) if such resolution is passed, to approve the Delisting Resolution. However, the Board wants to maintain its discretion to not proceed with the dissolution if an appropriate reorganizational transaction can be completed.

### **Voluntary Dissolution Procedure**

Pursuant to section 211(3) of the CBCA, a corporation may be dissolved upon the authorization of a special resolution passed at a meeting of the Shareholders of the Corporation duly called for that purpose. If such special resolution of the Shareholders is passed by a two-thirds (66-2/3%) majority, as required, a statement of intent to dissolve and articles of dissolution shall be filed upon confirmation by the Corporation in accordance with section 211(4) and (13) of the CBCA, that: (i) it has no debts, obligations or liabilities or its debts, obligations or liabilities have been duly provided for, or its creditors or other persons having interests in the Corporation's debts, obligations or liabilities consent to its Dissolution; (ii) after satisfying the interests of creditors, the Corporation has no property to distribute among its Shareholders or it has distributed any remaining property ratably among its Shareholders; and (iii) there are no proceedings pending in any court against the Corporation.

The Corporation's only asset to date is certain cash, the majority of which the Corporation expects will be expended in connection with the costs associated with the Dissolution, including payment of fees and costs associated with the Meeting, the Dissolution, the Delisting and other regulatory compliance matters. The Corporation therefore anticipates that following completion of the Dissolution there will be very little nominal assets to distribute ratably among the Shareholders, if any, and the cost of such distribution will be more than the value of the assets left to distribute.

In order to ensure that all tax liabilities are satisfied before any payment by the Corporation of assets to Shareholders, management will apply as soon as practicable to the Canada Revenue Agency for a tax clearance certificate. Upon satisfaction of its liabilities and distribution of any remaining assets as described above and receipt from the Ministry of Finance of consent to the Dissolution, the Corporation will file articles of dissolution under the CBCA.



he Corporation will apply to cease to be a reporting issuer in each jurisdiction of Canada in which it is a reporting issuer and will apply to the Exchange to voluntarily delist its Lamêlée Shares from the TSXV (see “*Delisting of the Corporation from the TSXV*” for further information regarding the Delisting).

The Corporation intends to complete the Dissolution as soon as practicable after receipt of Shareholder approval and receipt of the clearance certificate from the Canada Revenue Agency and the consent of the Ministry of Finance. Additional information will be announced by the Corporation as the Dissolution is effected.

Management of the Corporation and the Board have considered numerous options but, to date, have not found any viable alternative to the Dissolution of the Corporation.

### **Post-Dissolution Claims**

Under the provisions of the CBCA, despite any Dissolution of the Corporation: (i) a civil, criminal or administrative action or proceeding commenced by or against the Corporation before its Dissolution may be continued as if the Corporation had not been dissolved; (ii) a civil, criminal or administrative action or proceeding may be brought against the Corporation, as if the Corporation had not been dissolved; (iii) any property that would have been available to satisfy any judgment or order if the Corporation had not been dissolved remains available for such purpose; and (iv) the title to land belonging to the Corporation immediately before the Dissolution remains available to be sold in power of sale proceedings. In addition, each Shareholder to whom distributions are made in connection with the Dissolution of the Corporation is liable for the payment to creditors of the Corporation making a claim in respect of the foregoing to the extent of the amount received by that Shareholder upon the distribution of the Corporation’s remaining assets.

As at the date hereof, the Corporation is not aware of any pending or threatened civil, criminal or administrative actions against or involving the Corporation. In the event that any civil, criminal or administrative actions or proceedings arise prior to Dissolution, the Corporation will take all reasonable steps to ensure that such actions or proceedings are dispensed with or completed prior to Dissolution.

### **Shareholder Approval**

At the Meeting, Shareholders will be asked to consider, and if deemed to be advisable, approve the following special resolution, subject to such amendments, variations or additions as may be approved at the Meeting:

#### **"BE IT RESOLVED THAT:**

1. subject to regulatory approval, the dissolution of the Corporation pursuant to Section 211(3) of the CBCA is hereby authorized and approved if and when the Board determines that no transaction is likely to be concluded with a third party under reasonable terms prior to September 30, 2016;
2. in furtherance of the above, the Board is hereby authorized to cause the Corporation to liquidate its assets, if any, pay and discharge its liabilities, and thereafter to distribute the remaining property and assets of the Corporation, if any, ratably among the Shareholders according to their rights and interests in the Corporation; and
3. any one director or officer of the Corporation is hereby authorized and directed, for and in the name of and on behalf of the Corporation, to execute all such documents and to do all such other acts and things (including without limitation, the execution and delivery of articles of dissolution in prescribed form and the delivery thereof to the Director appointed under the CBCA) as such director or officer may determine in his sole and absolute discretion to be necessary or advisable to give effect to the above provisions of this resolution, the execution of any such document or the doing of any such act or thing being considered conclusive evidence of such determination, provided that the Board, may, in its sole discretion, delay the filing of such articles of dissolution or revoke this special resolution without further approval of the Shareholders at any time prior to such articles of dissolution becoming effective in accordance with the provisions of the CBCA."

The Board of Directors recommends that Shareholders vote for the adoption of the Dissolution Resolution. In order to be effective, the Dissolution Resolution must be approved by the affirmative vote of not less than two-thirds (66-2/3%) of votes cast by the Shareholders who vote in person or by proxy at the Meeting in respect of the proposed Dissolution Resolution.

***PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE DISSOLUTION RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS LAMÊLÉE SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.***

## **DELISTING OF THE CORPORATION FROM THE TSXV**

Shareholders will be asked to consider and, if thought advisable, approve a resolution, authorizing the Board to request that all of the Lamêlée Shares be delisted from trading on the TSXV. The Delisting Resolution is recommended so that the Corporation retains the discretion to apply to be delisted from the TSXV on a voluntary basis. If the Delisting Resolution is not approved, the Corporation will remain listed on the TSXV, however, the Corporation will no longer be able to meet the continuing listing requirements of the TSXV and may be involuntarily delisted by the TSXV. No alternative market exists for the trading of the Lamêlée Shares.

Pursuant to the requirements of Policy 2.9 – Trading Halts, Suspensions and Delisting of the TSXV Corporate Finance Manuel, subsection 4.3 requires majority of the minority Shareholder approval for the Delisting Resolution.

### **Shareholder Approval**

At the Meeting, the majority of the minority Shareholders will be asked to consider, and if deemed to be advisable, approve the following resolution, subject to such amendments, variations or additions as may be approved at the Meeting:

#### **"BE IT RESOLVED THAT:**

1. subject to regulatory approval, all of the Lamêlée Shares of the Corporation may be voluntarily delisted from trading on the TSXV in accordance with Policy 2.9 of the TSX Venture Exchange Corporate Finance Manual ("Policy 2.9"); and
2. any one director or officer of the Corporation is hereby authorized and directed, for and in the name of and on behalf of the Corporation, to execute all such documents and to do all such other acts and things (including, without limitation, delivering the written request for delisting to the TSXV) as such director or officer may determine in his sole and absolute discretion to be necessary or advisable to give effect to the above provisions of this resolution, the execution of any such document or the doing of any such act or thing being considered conclusive evidence of such determination, provided that the board of directors of the Corporation, may, in its sole discretion, delay the delivering the written request for delisting to the TSXV or revoke this resolution without further approval of the shareholders of the Corporation at any time prior to such written request for delisting to the TSXV becoming effective in accordance with the provisions of Policy 2.9."

***The Board of Directors recommends that Shareholders vote for the adoption of the Delisting Resolution. PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE DELISTING RESOLUTION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS LAMÊLÉE SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.***

## **PART III - INFORMATION CONCERNING LAMÊLÉE**

### **DESCRIPTION OF SECURITIES**

Lamêlée is authorized to issue an unlimited number of Lamêlée Shares without nominal or par value. As of the date hereof, there are 90,838,977 Lamêlée Shares issued and outstanding. The Shareholders are entitled to receive notice of and to attend any meeting of the Shareholders and have the right to one (1) vote per Lamêlée Share thereat. The Shareholders are entitled to receive any dividend declared by the Board, and have the right to receive a proportionate amount, on a per share basis, of the remaining property of Lamêlée on its dissolution, liquidation, winding up or other distribution of its assets or property among Shareholders for the purpose of winding up its affairs. As of the date hereof 6,550,000 Stock Options are outstanding with an exercise price varying from \$0.05 to \$0.19 and 1,537,500 Lamêlée Shares purchase warrants with an exercise price of \$0.15. Lamêlée has neither declared nor paid any dividends on the Lamêlée Shares and does not currently anticipate paying dividends.

### **STOCK OPTION PLAN**

Lamêlée currently operates a rolling incentive Stock Option Plan pursuant to the policies of the TSXV which provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of Lamêlée, or any subsidiary of Lamêlée, Stock Options to purchase Lamêlée Shares, provided that the number of Lamêlée Shares reserved for issuance under the Stock Option Plan shall not exceed 10% of the number of issued and outstanding Lamêlée Shares. The Stock Option Plan was approved by the Shareholders in 2011 and last ratified at the last annual meeting of Shareholders held on January 22, 2015. See “Part II - Matters to be acted upon at the Meeting - Stock Option Plan”.

### **EXECUTIVE COMPENSATION**

Lamêlée’ executive compensation program is based on a pay for performance philosophy and is designed to encourage, compensate and reward employees on the basis of performance, both in the short and the long term. Base compensation is set at levels that are generally low for the industry. Incentive Stock Options are granted. It is intended that share ownership opportunities will align the interests of executive officers with the longer term interests of Shareholders based on the anticipated contribution of executive officers for the benefit of Lamêlée. The responsibility for determining and administrating the compensation policies and levels for Lamêlée’ executive officers resides with the Board.

The base salary and/or compensation and the performance bonus of the executive officers of Lamêlée are reviewed annually by the Human Resources Committee, which makes recommendations to the Board. The Board reviews the recommendations of the Human Resources Committee and approves the base salary and/or the compensation and the performance bonus of the executive officers based on the recommendations of the Human Resources Committee.

During the 2015 financial year, the members of the Human Resources and Compensation Committee were Jean Dépatie (Chair and member since January 15, 2014), Pierre Lortie (member since January 15, 2014) and André La Flèche (member since January 15, 2014). All these members were considered independent.

The members of the Human Resources and Compensation Committee possess the following skills and experience that enable it to make decisions on the suitability of the Corporation’s compensation policies and practices: experience in the management of a corporation, human resources management including hiring, dismissals, establishment of human resources policies and practices and compensation programs, as well as establishing, communicating and evaluating performance objectives.

All members of the Human Resources and Compensation Committee has direct experience that is relevant to his responsibilities in executive compensation. The following sets forth each member’s experience in this regard:

*Jean Dépatie* – In addition to being a past director of Glamis Gold Ltd. (now Goldcorp Inc.) and Novicourt Inc. (now Xstrata plc), Mr. Depatie was instrumental in the development of Consolidated Thompson through his six-year tenure as a director. Mr. Depatie has also served as officer and/or director to a number of other companies listed on US and Canadian stock exchanges.

*Pierre Lortie* – He is currently a director of Element Financial Corporation, Quest Rare Minerals Ltd. and Canam Group Inc., listed on the TSX. Mr. Lortie was a director of Consolidated Thompson Iron Mines Ltd., listed on the TSX, and Arianne Resources Inc., which trades on the TSXV. At Bombardier Inc., Mr. Lortie served as President and Chief Operating Officer of their Transportation, Capital, International and Regional Aircraft groups until December 2003. He has been Chairman of the board, President and Chief Executive Officer of Proviso Inc., President and Chief Executive Officer of the Montreal Stock Exchange and a Senior Partner of Secor Inc.

*André La Flèche* – He was until his retirement in December 2013, Vice President, Development, at ArcelorMittal Mines (Canada). He was also a member of the board of directors of the business unit since April 2009. Since 2011, as Vice President, Development, he led all of ArcelorMittal Mines Canada’s projects under development, which encompassed acquisitions and project expansions. From 2004 to 2009, Mr. La Flèche was Vice President, Finance and CFO, and assumed on an interim basis the position of company Secretary. He also served for 6 years on the Compensation and Human Resources Committee and acted as Chairman of the Pension Plan Committee. Prior to joining ArcelorMittal Mines Canada, Mr. La Flèche was a Financial Mining Consultant for a number of major national and international companies. These included VP Finance and Administration for Alcan, Alcoa, Alstom and Cooper & Lybrand in Canada and abroad.

### Summary Compensation Table

The following table sets forth detailed information on the compensation of the President and Chief Executive Officer, the Chief Financial Officer and, when applicable, each of Lamêlée’ other most highly compensated executive officers (collectively, the “Named Executive Officers” or “NEOs”) as prescribed by *Regulation 51-102*, for services rendered in all capacities during the financial year ended September 30, 2015 and prior years.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(3)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Hubert Vallée CEO and President	2015	\$84,000	-	1,500	-	-	-	-	\$85,500
	2014	\$63,000 <sup>(1)</sup>	-	105,000	-	-	-	-	\$168,000
	2013	-	-	-	-	-	-	-	--
Marc Duchesne CFO	2015	\$60,000	-	1,500	-	-	-	-	61,500
	2014	\$45,000 <sup>(2)</sup>	-	70,000	-	-	-	-	\$115,000
	2013	-	-	-	-	-	-	-	-

**Notes:**

- (1) Hubert Vallée receives a salary of \$7,000 per month since January 1, 2014.
- (2) Marc Duchesne receives a salary of \$5,000 per month since January 1, 2014.
- (3) Lamêlée has adopted IFRS 2 (Share-based Payments) of the International Financial Reporting Standards to account for the issuance of Stock Options to employees and non-employees. The fair value of Stock Options is estimated at the grant date using the Black-Scholes Option Pricing Model. This model requires the input of a number of assumptions, including expected dividend yields, expected stock price volatility, expected time until exercise and risk-free interest rates. Although the assumptions used reflect management’s best estimates, they involve inherent uncertainties based on market conditions generally outside of the control of Lamêlée.

### Compensation Discussion and Analysis

This compensation discussion and analysis provides the analysis made by the Board in connection with compensation paid to the NEOs in the preceding table.

### ***Compensation Program Objectives***

In light of Lamêlée' current stage of development, it does not have a formal compensation program. The Human Resources Committee meets to discuss and determine management compensation without reference to formal criteria. The general objective of Lamêlée' compensation is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term Shareholder value, (ii) align management's interests with the long-term interests of Shareholders, (iii) provide a compensation package that is commensurate with other junior mining exploration companies in order to enable Lamêlée to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which Lamêlée operates by virtue of the fact that it is a junior mining exploration company without a history of earnings. The Human Resources Committee then makes recommendations to the Board for approval.

### ***Purpose of the Compensation Program***

The Board, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term positive results for the Shareholders;
- align executive compensation with corporate performance; and
- provides market-competitive compensation and benefits that will enable Lamêlée to recruit, retain and motivate the executive talent necessary to be successful.

The Board also relies on the experience of its members in assessing compensation levels.

### ***Elements of Compensation Program***

The executive compensation program consists of a combination of base salary and/or compensation, performance bonuses and Stock Option incentives.

### ***Purpose of Each Element of the Executive Compensation Program***

The base salary and/or compensation of an NEO are intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary and/or compensation, each NEO is eligible to receive a performance based bonus meant to motivate the NEO to achieve short-term goals. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year.

Stock Options are generally awarded to NEOs on an annual basis based on performance. The granting of Stock Options upon hire aligns NEOs' rewards with an increase in Shareholder value over the long term.

The use of Stock Options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in Lamêlée' performance and in the value of the Shareholders' investments.

### ***Determination of the Amount of Each Element of the Executive Compensation Program***

#### ***Intervention of the Board of Directors of Lamêlée***

The base salary and/or compensation and the performance bonus of the NEOs of Lamêlée are reviewed annually by the Human Resources Committee, which makes recommendations to the Board. The Board reviews the recommendations of the Human Resources Committee and approves the base salary and/or the compensation and the performance bonus of the NEOs based on the recommendations of the Human Resources Committee.

### *Base Salary and/or Compensation*

The base salary and/or compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary and/or the compensation are not evaluated against a formal “peer group”. The Board relies on the general experience of its members in setting base salary and/or compensation amounts.

### *Performance Bonuses*

The Board oversees the operation of Lamêlée’ bonus plan. The bonus for each individual NEO varies dependent upon the position and, the factors considered in assessing the bonus amounts include, but are not limited to, expense control and attainment of specific strategic business goals.

### *Stock Options*

Lamêlée has established the Stock Option Plan under which Stock Options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved Shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan, determines the number of Stock Options granted to such individuals and determines the date on which each option is granted and the corresponding exercise price.

The Board makes these determinations subject to the provisions of the Stock Option Plan and, where applicable, the policies of the TSXV.

### *Link to Overall Compensation Objectives*

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary and/or compensation of each NEO, combined with performance bonuses and the granting of Stock Options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

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

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

The following table sets forth information in respect of all share-based awards and Stock Option-based awards outstanding at the end of the most recently completed financial year to the NEOs of Lamêlée. The Corporation has no equity incentive plan for share-based awards.

Name	Stock Option-based Awards				Share-based Awards	
	Number of Securities Underlying Unexercised Stock Options (#)	Stock Option Exercise Price (\$)	Stock Option Expiration Date yy/mm/dd	Value of Unexercised in-the-money Stock Options <sup>(1)</sup> (\$)	Number of Lamêlée Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Hubert Vallée						
- January 7, 2014	500,000	\$0.145	January 7, 2024	-	-	-
- February 18, 2014	250,000	\$0.14	February 18, 2024	-	-	-
- November 28, 2014	200,000	\$0.05	November 28, 2024	-	-	-
- January 22, 2015	50,000	\$0.05	January 22, 2025	-	-	-

Name	Stock Option-based Awards				Share-based Awards	
	Number of Securities Underlying Unexercised Stock Options (#)	Stock Option Exercise Price (\$)	Stock Option Expiration Date yy/mm/dd	Value of Unexercised in-the-money Stock Options <sup>(1)</sup> (\$)	Number of Lam��e Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Marc Duchesne						
- January 7, 2014	500,000	\$0.145	January 7, 2024	-	-	-
- November 28, 2014	100,000	\$0.05	November 28, 2024	-	-	-
- January 22, 2015	50,000	\$0.05	January 22, 2025	-	-	-

**Note:**

- (1) The value of unexercised in-the-money Stock Options at financial year-end is based on the difference between the market value of the stock at September 30, 2015 of \$0.02 and the exercise price of the option.

**Incentive Plan Awards - Value Vested or Earned During the Year**

The following table presents, for each NEO, the number of option-based grants that have vested during the fiscal year ended September 30, 2015 and provides the aggregate dollar value that would have been realized if these Stock Options had been exercised on the vesting date by determining the difference between the market price of the underlying securities and the exercise price of the Stock Options on the vesting date. The Corporation has no equity incentive plan for share-based awards.

Name	Stock Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value vested during the year (\$)
Hubert Vall��e			
Grant dated January 7, 2014			
- October 7, 2014	\$0		
- January 7, 2015	\$0		
- April 7, 2015	\$0	-	-
- July 7, 2015	\$0		
Grant dated February 18, 2014			
- February 18, 2015	\$0		
Marc Duchesne			
Grant dated January 7, 2014			
- October 7, 2014	\$0		
- January 7, 2015	\$0		
- April 7, 2015	\$0	-	-
- July 7, 2015	\$0		

**Pension Plan Benefits**

The Corporation does not have a defined benefits pension plan or a defined contribution pension plan.

**Termination and Change of Control Benefits**

On April 9, 2014, Hubert Vall  e entered into a Consulting Agreement which terminated on December 31, 2014, but which automatically renews on a monthly basis until re-negotiated or terminated by either party by giving a 30 day written notice to the other party. Such agreement provides that in the event that there is a Change of Control of

Lamêlée, either of Mr. Vallée or Lamêlée shall have one year from the date of such Change of Control to elect to have Mr. Vallée's appointment terminated. In the event that such an election is made by either of Mr. Vallée or Lamêlée, Lamêlée shall, within 30 days of such election, make a lump sum termination payment to Mr. Vallée of \$500,000.

On April 9, 2014, Marc Duchesne entered into a Consulting Agreement which terminated on December 31, 2014, but which automatically renews on a monthly basis until re-negotiated or terminated by either party by giving a 30 day written notice to the other party. Such agreement provides that in the event that there is a Change of Control of Lamêlée, either of Mr. Duchesne or Lamêlée shall have one year from the date of such Change of Control to elect to have Mr. Duchesne's appointment terminated. In the event that such an election is made by either of Mr. Duchesne or Lamêlée, Lamêlée shall, within 30 days of such election, make a lump sum termination payment to Mr. Duchesne of \$500,000.

The following table shows estimated incremental payments triggered which would have been payable to the NEOs under the various plans and arrangements, should their employment have terminate on the last day of Lamêlée's most recently completed financial year.

<b>Named Executive Officer</b>	<b>Incumbent</b>	<b>Termination Provisions Value<sup>(1)</sup></b> <b>(\$)</b>
President and CEO	Hubert Vallée	500,000
CFO	Marc Duchesne	500,000

(1) The values assume that the triggering event took place on the last Business Day of Lamêlée's fiscal year-end (September 30, 2014)

### **Director Compensation**

During the financial year ended on September 30, 2015, no director of Lamêlée received compensation for acting in such capacities.

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

The following table sets forth information in respect of all share-based awards and Stock Option-based awards outstanding at the end of the most recently completed financial year to the directors of Lamêlée, other than NEOs:

<b>Name</b>	<b>Stock Option-based Awards</b>				<b>Share-based Awards</b>	
	<b>Number of Securities Underlying Unexercised Stock Options (#)</b>	<b>Stock Option Exercise Price (\$)</b>	<b>Stock Option Expiration Date</b>	<b>Value of Unexercised in-the-money Stock Options<sup>(1)</sup> (\$)</b>	<b>Number of Lamêlée Shares or units of shares that have not vested (#)</b>	<b>Market or payout value of share-based awards that have not vested (\$)</b>
Pierre Lortie	500,000	\$0.145	January 7, 2024	-	-	-
	250,000	\$0.19	January 15, 2024	-	-	-
	100,000	\$0.05	January 22, 2025	-	-	-
Jean Dépatie	750,000	\$0.145	January 7, 2024	-	-	-
	100,000	\$0.05	January 22, 2025	-	-	-
André La Flèche	500,000	\$0.19	January 15, 2024	-	-	-
	100,000	\$0.05	January 22, 2025	-	-	-
Peter H. Smith	500,000	\$0.14	May 12, 2024	-	-	-
	100,000	\$0.05	January 22, 2025	-	-	-



**Note:**

- (1) The value of unexercised in-the-money Stock Options at financial year-end is based on the difference between the market value of the stock at September 30, 2015 of \$0.02 and the exercise price of the Stock Option.

**Incentive Plan Awards - Value Vested or Earned During the Year**

The following table presents, for each director, other than NEOs, the number of Stock Option-based grants that have vested during the fiscal year ended September 30, 2015 and provides the aggregate dollar value that would have been realized if these Stock Options had been exercised on the vesting date by determining the difference between the market price of the underlying securities and the exercise price of the Stock Options on the vesting date. The Corporation has no equity incentive plan for share-based awards.

Name	Stock Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value vested during the year (\$)
Pierre Lortie			
Grant dated January 7, 2014			
- October 7, 2014	\$0		
- January 7, 2015	\$0		
- April 7, 2015	\$0		
- July 7, 2015	\$0	-	-
Grant dated January 15, 2014			
- October 15, 2014			
- January 15, 2015	\$0		
- April 15, 2015	\$0		
- July 15, 2015	\$0		
Jean Dépatie			
- October 7, 2014	\$0		
- January 7, 2014	\$0		
- April 7, 2014	\$0	-	-
- July 7, 2014	\$0		
André La Flèche	-	-	-
Peter H. Smith	-	-	-

**AUDIT COMMITTEE AND RELATIONSHIP WITH INDEPENDENT AUDITOR****Rules of the Audit Committee**

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

The text of Lamêlée’ audit committee charter can be found under Schedule “D” of this Information Circular.

**Composition of the Audit Committee**

The Audit Committee is made up of the following three (3) directors: André La Flèche, Peter H. Smith and Jean Dépatie, who are all independent. These three (3) directors are financially literate within the meaning of NI 52-110.

## **Background and relevant experience**

**Mr. André La Flèche** was until his retirement in December 2013, Vice President, Development, at ArcelorMittal Mines (Canada). He was also a member of the Board of Directors of the business unit since April 2009. Since 2011, as Vice President, Development, he led all of ArcelorMittal Mines Canada's projects under development, which encompassed acquisitions and project expansions. From 2004 to 2009, Mr. La Flèche was Vice President, Finance and CFO, and assumed on an interim basis the position of company Secretary. Prior to joining ArcelorMittal Mines Canada, Mr. La Flèche was a Financial Mining Consultant for a number of major national and international companies. These included VP Finance and Administration for Alcan, Alcoa, Alstom and Cooper & Lybrand in Canada and abroad. He is member of the Canadian Institute of Chartered Accountants (CICA) and the Order of Professional Chartered Accountants of Quebec.

**Mr. Peter H. Smith**, PhD, P.Eng is a director and a founder of Fancamp. He is Chairman of the Board, President and CEO. He is a Consulting Geologist and has over many years been a consultant to other mining exploration firms in North and South America, Europe and Africa. Mr. Smith is currently a director and President of The Magpie Mines Inc. Mr. Smith has been a director of Fancamp since January 1986. He served as a director of Argex Titanium Inc. ("Argex") from October 2009 to May 2013 and was a member of the audit committee. Argex is engaged principally in the development of a TiO<sub>2</sub> pigment production plant. He served as a director of Litewave Corp. since January 2010. Mr. Smith served as a director of St Georges Platinum and Base Metals Ltd. until October 2010 and served as a director of Golden Hope Mines Limited from May 1997 to August 2009. Mr. Smith has been a director of Uragold Bay Resources Inc. since September 2014. He was also formerly with AMAX Exploration Ltd., Falconbridge Nickel Mines Ltd. and Geological Survey of Canada. Mr. Smith is a member of the Ontario Order of Professional Engineers and was a director of The Prospectors and Developers Association of Canada from 1998 to 2010. He remains a member of the Aboriginal Affairs Committee of the PDAC.

**Mr. Jean Depatie** has over 45 years of national and international experience in economic geology, having acted, directly or indirectly, as consultant for organizations such as the United Nations, the World Bank, the Asian Development Bank, the Commonwealth Agency and the Québec Ministry of Natural Resources. In addition to being a past director of Glamis Gold Ltd. (now Goldcorp Inc.) and Novicourt Inc. (now Xstrata plc), Mr. Depatie was instrumental in the development of Consolidated Thompson through his six-year tenure as a director. Mr. Depatie has also served as officer and/or director to a number of other companies listed on US and Canadian stock exchanges. Mr. Depatie is a former President of the Québec Professional Association of Geologists and Geophysicists (1980-81). Mr. Depatie is an economic geologist. He received an award of excellence in 1990 from the Québec Department of Energy and Resources.

## **Audit Committee Recommendations**

The Board has adopted all recommendations of the Audit Committee concerning the appointment or remuneration of the Corporation's external independent auditor.

## **Auditor's Independence**

Raymond Chabot Grant Thornton LLP, Chartered Accountants, is the Corporation's independent auditor and provides audit, tax and other non-audit services to the Corporation. During the year ended September 30, 2014, the Corporation has paid fees to Raymond Chabot Grant Thornton LLP, Chartered Accountants, for audit services or related to audit, as well as fees for services other than audit.

## **Policies and procedures for prior approval**

The Audit Committee has not yet adopted any particular policies and procedures to date for the awarding of contracts relating to non-audit services.

### Fees for the external auditor's services

The table below lists by category the fees invoiced by external independent auditor Raymond Chabot Grant Thornton LLP, Chartered Accountants, for the fiscal years ended September 30, 2015 and 2014.

Type of fees	2015	2014
Audit fees	\$42,000	\$37,170
Fees for audit-related services	-	-
Fees for tax services	\$0	\$0
Other fees	\$0	\$47,842
<b>Total</b>	<b>\$42,000</b>	<b>\$85,012</b>

“**Audit fees**” comprise the total fees paid to the auditor for auditing the annual consolidated financial statements and other audits involving legal filings.

“**Fees for audit-related services**” includes the total fees paid to the auditor for audit-related services, particularly consulting fees related to accounting and financial reporting standards.

“**Fees for tax services**” includes the total fees paid to the auditor for compliance with tax regulations, tax advice and consulting and tax planning services for preparing tax returns for Lamêlée’ income tax, capital tax and sales taxes.

“**Other fees**” includes the total fees paid to the auditor for all services other than those listed under audit fees, fees for audit-related services and tax services; they mainly involve translation fees.

### STATEMENT ON CORPORATE GOVERNANCE PRACTICES

Lamêlée believes that effective corporate governance practices are fundamental to its overall success. The Canadian Securities Administrators have adopted *National Instrument 58-101 Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and the associated *National Policy 58-201 Corporate Governance Guidelines* (“**NI 58-201**”), which require Lamêlée to disclose its corporate governance practices.

#### Board of Directors

##### *Independent Directors*

After having examined the roles and relationships of each of the directors, the Board has determined that the Chairman of the Board, Mr. Pierre Lortie, the President and CEO of the Corporation, Mr. Hubert Vallée and the secretary of the Corporation, Carole Turcotte are the only Board members who are not independent, in that they are executive officers of Lamêlée. The following directors are independent in that they are not part of management and are free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act in the best interests of the Corporation, other than interests and relationships arising from shareholdings: Messrs. Jean Dépatie, André La Flèche and Peter H. Smith. The Board considers that, by virtue of the majority of unrelated directors, it is independent of management.

In order to facilitate the exercise of its independence in the overseeing of management, the Board or a committee thereof will meet independently of any related director or management if the need ever arises.

The Board considers its size to be appropriate at the current time. The Board, as presently constituted, brings together a mix of skills and backgrounds that the Board considers appropriate for the stewardship of the Corporation.

Directors are permitted to contact and engage outside advisors at the expense of the Corporation with the authorization of the Chairman. The Audit Committee is encouraged to speak directly to the external auditor on matters pertaining to its mandate.

## Directorships

The following directors are presently a director of other reporting issuers:

Director	Issuers	Exchange
Pierre Lortie	Quest Rare Minerals Ltd. Canam Group Inc. Element Financial Corporation	TSX TSX TSX
Jean Dépatie	Alabama Graphite Corp. Dynacor Gold Mines Inc.	TSXV; OTCQX; Frankfurt Exchange TSX
Peter H. Smith	Fancamp Exploration Ltd. Uragold Bay Resources Inc.	TSXV TSXV

## Orientation and Continuing Education

Although Lamêlée has not implemented any formal orientation and continuing education program to-date, adequate measures are taken to ensure that all new directors receive a comprehensive orientation regarding the role of the Board, its committees and its directors, as well as the operation of the Corporation's business. Each new director is provided with a copy of the Corporation's governance policies and receives a comprehensive introduction to the Board and the Corporations' affairs.

## Ethical Business Conduct

The Board has adopted a Code of Ethics, an Anti-Bribery and Anti-Corruption Policy, a Disclosure Policy and a Stock Trading and Blackout Policy that all members of the Board, all officers and all employees of Lamêlée must sign.

The Board also complies with the conflict of interest provisions of applicable laws, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

## Nomination of Directors

The Human Resources Committee is responsible for recommending to the Board of Directors candidates for nomination as director and for reviewing the nominees for re-election before each annual meeting. As part of its mandate, the Human Resources Committee evaluates the skills and competencies of the Board as a whole, the contribution each director brings to the Board for the direction of the Corporation's business and affairs and what the Board lacks as expertise.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve.

## Compensation

The process by which the Board determines the compensation for executive officers of the Corporation is described in the report on executive compensation.

The Human Resources Committee is responsible for evaluating the remuneration of the Corporation's directors and senior executives, and making recommendations to the Board, which makes the final determination.

## Other Board Committees

The following table describes the responsibilities of each Committee of the Board:

Committee	Members
<p><u>Human Resources Committee</u></p> <p>The Human Resources and Compensation Committee is responsible for:</p> <ul style="list-style-type: none"> <li>• evaluating the compensation of the Corporation’s senior executives, having regard for competitive position and individual performance, and making recommendations to the Board, which makes the final determination of the compensation of the senior executives;</li> <li>• evaluating and recommending to the Board of Directors remuneration policies for directors;</li> <li>• establishing the overall policies for remuneration of employees as well as the establishment and evaluation of the bonus program and the Corporation’s Stock Option Plan; and</li> <li>• ensuring that the organization plan of the Corporation is consistent with its strategic plan, and that the appropriate training and succession plans are in place to ensure the continuing success of the Corporation.</li> <li>• making recommendations to the Board of Directors relating to new candidates to the Board of Directors and to the re-election of current Board Members.</li> </ul>	<p>Jean Dépatie</p> <p>Pierre Lortie</p> <p>André La Flèche</p>
<p><u>Audit Committee</u></p> <p>The Audit Committee is responsible for:</p> <ul style="list-style-type: none"> <li>• discussing with management and the independent auditors the adequacy and effectiveness of the accounting and financial controls;</li> <li>• reviewing and recommending to the Board the selection of the Corporation’s independent auditors as well as the compensation to be paid to such auditors;</li> <li>• reviewing with the independent auditors the scope of their audit;</li> <li>• overseeing the work of the external auditor;</li> <li>• reviewing the Corporation’s financial statements; and</li> <li>• Risk management assessments</li> </ul> <p>The Corporation’s Audit Committee Charter is reproduced as Schedule D of this Information Circular.</p>	<p>André La Flèche</p> <p>Peter Smith</p> <p>Jean Dépatie</p>
<p><u>Advisory Committee</u></p> <p>While it is the mandate of the Board to make the final decision on all matters that affect Lamêlée, the role of an Advisory Committee is to provide recommendations and information to the Board on those specialized matters which relate to exploration, production and acquisition activities.</p>	<p>Claude Britt</p>

### Board Assessments

The Human Resources Committee is responsible for evaluating the effectiveness of the Board, its Committees and individual directors, including the Chairman of the Board. The Human Resources Committee makes recommendations to the Board of Directors on any proposed improvement to the functioning and composition of the Board and its Committees.

## **ADDITIONAL INFORMATION**

Additional information relating to Lamêlée is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact Lamêlée at 1155 University, Suite 812, Montreal (Québec) H3B 3A7 to request copies of Lamêlée' financial statements and management discussion and analysis thereon. Financial information is provided in Lamêlée' comparative financial statements and management discussion and analysis thereon for Lamêlée' most recently completed financial year.

## **APPROVAL OF BOARD OF DIRECTORS**

The directors of Lamêlée have approved the content and mailing of this Information Circular to the Shareholders, directors and auditors of the Corporation.

(s) Pierre Lortie

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Pierre Lortie  
Chairman of the Board of Directors  
Montreal, February 22, 2016

**SCHEDULE A  
INITIAL CLAIMS**

Map sheet	Row	Column	Area (ha)	Type	Claim #	Status	expiry date	Required work (\$)
23B/05	22	60	52.53	CDC	2211462	Active	28-march-2016	900
23B/06	22	1	52.53	CDC	2211466	Active	28-march-2016	900
23B/06	22	2	52.53	CDC	2211467	Active	28-march-2016	900
23B/05	21	59	52.54	CDC	2211460	Active	28-march-2016	900
23B/05	21	60	52.54	CDC	2211461	Active	28-march-2016	900
23B/06	21	1	52.54	CDC	2211465	Active	28-march-2016	900
23B/06	21	2	52.54	CDC	2211458	Active	28-march-2016	900
23B/06	21	3	52.54	CDC	2012841	Active	24-May_2016	1800
23B/06	21	4	52.54	CDC	2012842	Active	24-May_2016	1800
23B/06	21	5	52.54	CDC	2012843	Active	24-May_2016	1800
23B/05	20	59	52.55	CDC	2211456	Active	28-march-2016	900
23B/05	20	60	52.55	CDC	2211459	Active	28-march-2016	900
23B/06	20	1	52.55	CDC	2211464	Active	28-march-2016	900
23B/06	20	2	52.55	CDC	34313	Active	1-Sept-2016	1800
23B/06	20	3	52.55	CDC	34314	Active	1-Sept-2016	1800
23B/06	20	4	52.55	CDC	2012839	Active	24-May_2016	1800
23B/06	20	5	52.55	CDC	2012840	Active	24-May_2016	1800
23B/05	19	59	52.56	CDC	2211455	Active	28-march-2016	900
23B/05	19	60	52.56	CDC	34160	Active	31-Aug-2016	1800
23B/06	19	1	52.56	CDC	34312	Active	1-Sept-2016	1800
23B/06	19	2	52.56	CDC	2211463	Active	28-march-2016	900
23B/06	19	3	52.56	CDC	2211457	Active	28-march-2016	900
23B/06	19	4	52.56	CDC	2012837	Active	24-May_2016	1800
23B/06	19	5	52.56	CDC	2012838	Active	24-May_2016	1800
23B/05	18	60	52.57	CDC	34159	Active	31-Aug-2016	1800
23B/06	18	1	52.57	CDC	34311	Active	1-Sept-2016	1800
23B/06	18	2	52.57	CDC	2012834	Active	24-May_2016	1800
23B/06	18	3	52.57	CDC	2012835	Active	24-May_2016	1800
23B/06	18	4	52.57	CDC	2012836	Active	24-May_2016	1800

**SCHEDULE B  
ADDITIONAL CLAIMS**

Map sheet	Row	Column	Area (ha)	Type	Claim #	Status	expiry date	Required work (\$)
23B/06	18	6	52.57	CDC	2394288	Active	12-nov-2015	135
23B/06	18	7	52.57	CDC	2394289	Active	12-nov-2015	135
23B/06	18	8	52.57	CDC	2394290	Active	12-nov-2015	135
23B/06	18	9	52.57	CDC	2394291	Active	12-nov-2015	135
23B/06	18	10	52.57	CDC	2394292	Active	12-nov-2015	135
23B/06	17	6	52.58	CDC	2394283	Active	12-nov-2015	135
23B/06	17	7	52.58	CDC	2394284	Active	12-nov-2015	135
23B/06	17	8	52.58	CDC	2394285	Active	12-nov-2015	135
23B/06	17	9	52.58	CDC	2394286	Active	12-nov-2015	135
23B/06	17	10	52.58	CDC	2394287	Active	12-nov-2015	135
23B/06	16	6	52.59	CDC	2394278	Active	12-nov-2015	135
23B/06	16	7	52.59	CDC	2394279	Active	12-nov-2015	135
23B/06	16	8	52.59	CDC	2394280	Active	12-nov-2015	135
23B/06	16	9	52.59	CDC	2394281	Active	12-nov-2015	135
23B/06	16	10	52.59	CDC	2394282	Active	12-nov-2015	135
23B/06	15	5	52.6	CDC	2394272	Active	12-nov-2015	135
23B/06	15	6	52.6	CDC	2394273	Active	12-nov-2015	135
23B/06	15	7	52.6	CDC	2394274	Active	12-nov-2015	135
23B/06	15	8	52.6	CDC	2394275	Active	12-nov-2015	135
23B/06	15	9	52.6	CDC	2394276	Active	12-nov-2015	135
23B/06	15	10	52.6	CDC	2394277	Active	12-nov-2015	135
23B/06	14	6	52.61	CDC	2394267	Active	12-nov-2015	135
23B/06	14	7	52.61	CDC	2394268	Active	12-nov-2015	135
23B/06	14	8	52.61	CDC	2394269	Active	12-nov-2015	135
23B/06	14	9	52.61	CDC	2394270	Active	12-nov-2015	135
23B/06	14	10	52.61	CDC	2394271	Active	12-nov-2015	135
23B/06	13	7	52.62	CDC	2394263	Active	12-nov-2015	135
23B/06	13	8	52.62	CDC	2394264	Active	12-nov-2015	135
23B/06	13	9	52.62	CDC	2394265	Active	12-nov-2015	135
23B/06	13	10	52.62	CDC	2394266	Active	12-nov-2015	135



**SCHEDULE C  
STOCK OPTION PLAN**

**LAMÉLÉE IRON ORE LTD.**

**STOCK OPTION PLAN**

**ADOPTED ON OCTOBER 10<sup>th</sup>, 2011  
AND AMENDED ON JANUARY 15, 2014  
AND ON MAY 22, 2014**

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## SECTION 1

### DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

Unless otherwise required by the context or subject matter, the following terms, as used hereunder, have the meanings set forth below.

- (a) **Board** means the board of directors of the Corporation.
- (b) **Cause**, in respect of a Participant:
  - (i) has the meaning given to that term or "just cause" or any similar term in any written employment or consulting agreement between the Corporation and the Participant or, if there is no such agreement, in any written employment policy or manual of the Corporation applicable to the Participant; or
  - (ii) if there is no written definition of this term applicable to the Participant, means
    - (A) the Participant's breach of his employment or consulting agreement or any related confidentiality and/or proprietary rights agreement (collectively, the "**Participant Services Agreements**"); or (B) any other conduct of the Participant that would constitute cause as that term is interpreted by the courts of the Province of Quebec from time to time;
- (c) Change of Control means:
  - (i) the consummation of any transaction or series of transactions including any consolidation, amalgamation, arrangement, merger or issue of voting Shares in the capital of the Corporation, the result of which is that any Person or group of Persons acting jointly or in concert for purposes of such transaction becomes the beneficial owner, directly or indirectly, of more than 50% of the voting Shares in the capital of the Corporation, measured by voting power rather than number of Shares (but shall not include the creation of a holding company or similar transaction that does not involve any material change in the indirect beneficial ownership of the Shares in the capital of the Corporation);
  - (ii) the direct or indirect sale, transfer or other disposition, in one or a series of related transactions, of all or substantially all of the assets of the Corporation, taken as a whole, to any Person or group of Persons acting jointly or in concert for purposes of such transaction (other than to any affiliates of the Corporation);
  - (iii) the election at a meeting of the Corporation's shareholders of that number of individuals that would represent a majority of the Board as directors of the Corporation, who are not included in the slate for election as directors proposed to the Corporation's shareholders by management of the Corporation or a transaction or series of transactions as a result of which a majority of the directors of the Corporation are removed from office at any annual or special meeting of shareholders or as a result of a transaction referred to in clause (i)

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immediately above, or a majority of the directors of the Corporation resign from office over a period of 60 days or less, and the vacancies created thereby are filled by nominees proposed by any Person other than directors or management of the Corporation in place immediately prior to the removal or resignation of the directors; or

- (iv) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in clauses (i), (ii) or (iii) referred to immediately above;
  
- (d) **Combination** has the meaning attributed to that term in Section 5.1 d);
- (e) **Committee** has the meaning attributed to that term in Section 2.3;
- (f) **Corporation** means Lamêlée Iron Ore Ltd. and any corporation which it controls pursuant to the *Canada Business Corporations Act*.
- (g) **Consultant** means an individual or Consultant Company, other than an Employee or a Director of the Corporation, respecting the conditions prescribed by section 1.2 of Policy 4.4 of the Exchange.
- (h) **Consultant Company** means for an individual Consultant, a company or partnership of which the individual is an employee, shareholder or partner.
- (i) **Date of Grant** means the date on which the Board grants a particular Option in favour of a Person.
- (j) **Disability** means the mental or physical state of the Participant such that, as a result of illness, disease, mental or physical disability or similar cause, the Participant has been unable to fulfill his or her obligations as an Employee of the Corporation either for any consecutive six-month period or for any period of twelve months (whether or not consecutive) in any consecutive 24-month period, provided that, where the Participant has entered into a Participant Services Agreement with the Corporation, "Disability" will have the meaning attributed to that term, or the term equivalent in concept, contained in that Participant Services Agreement, and provided that the term "Disabled" has the same meaning with necessary grammatical changes;
- (k) **Eligible Person** means any Employee, officer, director and Consultant (including any advisor) of the Corporation; a Participant will cease to be an Eligible Person on his Termination Date;
- (l) **Employee** means any Person treated as an employee in the records of the Corporation;
- (m) **Exchange** means an established stock exchange in Canada where the Shares of the Corporation are listed.
- (n) **Exercise Notice** means the notice regarding the exercise of an Option, as worded in Schedule B annexed hereto, duly executed by the Participant.

- (o) **Exercise Period** means the period during which a particular Option may be exercised, which runs from the Date of Grant inclusively, provided that all of the regulatory approvals have been obtained, up to and including the Expiry Date.
- (p) **Exercise Price** means the price at which an Option may be exercised, as established pursuant to section 3.6 hereof.
- (q) **Expiry Date** means the date established pursuant to section 3.3 hereof and after which a particular Option cannot be exercised.
- (r) **Fair Market Value**, at any date in respect of the Shares, means the closing sale price of such Shares on the Exchange on the trading day immediately preceding such date. In the event that such Shares did not trade on such trading day, the Fair Market Value shall be the average of the bid and ask prices in respect of such Shares at the close of trading on such trading day. If no quotation is made for the applicable day, the Fair Market Value on such day shall be determined in the manner set forth in the preceding sentence for the next preceding trading day. Notwithstanding the foregoing, if there is no reported closing price or high bid/low asked price that satisfies the preceding sentences, the Fair Market Value on any day shall be determined by such methods and procedures as shall be established from time to time by the Board in its sole discretion;
- (s) **Insider** has the meaning set forth in the *Securities Act* (Quebec);
- (t) **Non-Employee Director** means a director of the Corporation, other than a director of the Corporation that is an Employee
- (u) **Investor Relations Activities** means any activity by or on behalf of the Corporation or a shareholder of the Corporation that promote or reasonably could be expected to promote the purchase or sale of the Corporation's securities, with the exception of the activities excluded pursuant to Policy 1.1 of the Exchange.
- (v) **Management Company Employee** means an individual employed by a Person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person performing Investor Relations Activities.
- (w) **Option Certificate** means the certificate representing an Option, the wording of which is essentially similar to the wording of Schedule A annexed hereto.
- (x) **Option** or **Options** means, as the case may be, one or several Options granted pursuant to the Plan for the purpose of purchasing Shares.
- (y) **Participant** means an Employee, director, senior executive, Consultant or Person performing Investor Relations Activities, or a former Employee, director, senior executive, Consultant or Person providing Investor Relations Activities holding unexercised and unexpired Options or, as the case may be, their Personal Representatives.
- (z) **Participant** means any Eligible Person to whom an Option has been granted or, in the case of such Person's death, his legal representative(s);
- (aa) **Person** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal

personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted;

- (bb) **Personal Representative** means (i) in the case of a deceased Participant, the liquidator of the succession or the court administrator of the deceased duly appointed by a court or a public body duly authorized with respect thereto; and (ii) in the case of a Participant who, for any reason whatsoever, is incapable of managing his or her affairs, the Person legally authorized to act on behalf of such Participant.
- (cc) **Plan** means this amended and restated share option plan of the Corporation, as the same may be supplemented and amended from time to time;
- (dd) **Proposed Transaction** has the meaning attributed to that term in Section 5.1;
- (ee) **Regulations** means the regulations governing the Plan and made, amended or supplemented by the Board from time to time,
- (ff) **Share** or **Shares** means, as the case may be, one or several common shares in the share capital of the Corporation.
- (gg) **Termination Date** means the last date on which a Participant provides services to the Corporation and not the last day upon which the Corporation pays wages or salaries in lieu of notice of termination, whether statutory, contractual or otherwise; and
- (hh) **Transfer** means any disposition, transfer, sale, exchange, assignment, gift, bequest, disposition, hypothecation, mortgage, charge, pledge, encumbrance, grant of security interest, or any arrangement by which possession, legal title or beneficial ownership passes, directly or indirectly, from one Person or entity to another, or to the same Person or entity in a different capacity, whether or not voluntary and whether or not for value, and includes any agreement to effect the foregoing; and the words "Transferred", "Transferring" and similar words have corresponding meanings.

Words importing the singular number include the plural and vice versa, and words indicating gender include all genders. The term "**including**" means "including without limitation".

The Plan will be governed by and interpreted in accordance with the laws of the Province of Quebec and the laws of Canada applicable therein.

## **1.2 Governing Law**

The Plan is established pursuant to the laws in effect in the Province of Québec and the policies of the Exchange and its provisions shall be interpreted pursuant to such laws and policies.

## **1.3 Headings**

The headings herein are for the convenience of the reader and shall in no way affect the Interpretation of the text of the Plan.

## SECTION 2

### PURPOSE AND PARTICIPATION

#### 2.1 Purpose

The Plan was designed to allow the Corporation, through the Shares, to retain and motivate competent directors, senior executives, Employees, Consultants and Persons performing Investor Relations Activities, to allow such Persons chosen by the Board to receive Options pursuant to the Plan as a reward for their efforts in attaining the goals of the Corporation and to allow them to purchase Shares as an investment, and to encourage them to act in this manner.

#### 2.2 Participation

From time to time, the Board shall designate, at its discretion, the directors, senior executives, Employees, Consultants and Persons performing Investor Relations Activities, as the case may be, who are to be granted Options and shall establish the number of Shares with respect to which each Option may be exercised and shall grant the Options based on these decisions. The resolution of the Board to this effect must include a declaration stating that, in the case of Options granted to Employees, Consultants or Management Company Employees, such Persons are bona fide Eligible Persons. The granting of an Option to an Eligible Person shall not, at any time, entitle such Person to receive Options thereafter, nor shall it prevent it from receiving Options thereafter. Finally, any Participant that is not an individual must provide the Exchange with a completed Form 4F.

#### 2.3 Administration

(a) The Plan will be administered by the Board or a committee of the Board duly appointed for such purpose by the Board. To the extent permitted by applicable law, the Board may delegate any or all of the powers under the Plan to one or more committees or subcommittees of the Board (a "Committee"). Except as otherwise noted, all references in the Plan to the "Board" will mean the Board or a Committee of the Board to the extent that the Board's power or authority under the Plan has been delegated to such Committee.

(b) Subject to the limitations of the Plan, applicable law and the requirements of the Exchange, the Board has the authority: (i) to grant to Eligible Persons Options to purchase Shares, (ii) to determine the terms, limitations, restrictions and conditions upon such grants, including the nature and duration of any restrictions applicable to a sale or other disposition of Shares acquired upon exercise of an Option and the nature of events, if any, that may cause any Participant's rights in respect of Shares acquired upon exercise of an Option to be forfeited and the duration of the period of such forfeiture, (iii) to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules and Regulations relating to the Plan as the Board may from time to time deem advisable, subject to required prior approval by any applicable regulatory authority or Exchange; (iv) to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Option agreement; and (v) to make all other determinations and to take all other actions in connection with the implementation and administration of the Plan as the Board may deem necessary or advisable. The Board's interpretation and determination of the Plan, its guidelines and rules and the Regulations will be conclusive and binding upon all parties concerned.

(c) Every director of the Corporation will at all times be indemnified and saved harmless by the Corporation from and against all costs, charges and expenses whatsoever including any income tax

liability arising from any such indemnification, which such director may sustain or incur by reason of any action, suit or proceeding, taken or threatened against such director, otherwise than by the Corporation, for or in respect of any act done or omitted in good faith by the director in respect of the Plan in the director's capacity as a director of the Corporation, such costs, charges and expenses to include any amount paid to settle such action, suit or proceeding or in any satisfaction of any judgment rendered therein.

#### **2.4 Notice of Grants**

After the Board shall have approved the granting of an Option, the Chairman or another member of the Board designated for such purpose shall give a written notice of the grant to the Eligible Person and shall include therewith the Option Certificate representing the Option thus granted.

#### **2.5 Approval of the Plan**

The Plan must receive shareholder and Exchange approval annually, at a shareholders' meeting.

#### **2.6 Copies of the Text of the Plan**

With the notice sent with the initial granting of an Option, each Eligible Person shall be provided with either (i) two copies of the text of the Plan or (ii) one copy of the text of the Plan and an Acknowledgement and Undertaking in the form of the Appendix A to the Option Certificate and within 10 days following the receipt of the Plan, the above-mentioned Person shall sign one of the copies of the Plan or the Acknowledgement and Undertaking and return it to the Board. The Board shall promptly provide each Participant with two copies of any amendment to the Plan and within 10 days thereof, such Participant shall sign a copy of the amendment and return it to the Board.

#### **2.7 Limitations**

The Plan does not entitle a Participant to act as senior executive or director of the Corporation or to continue to act as such, nor does it entitle it to be an Employee of the Corporation or to continue as such, nor does it create an obligation on the part of either party with respect thereto. The Plan does not grant the Participant any rights as a shareholder of the Corporation with respect to the Shares underlying the Options before such time as the Participant has exercised his or her Options or a part thereof and before he or she is registered as a shareholder of the Corporation. All decisions regarding the granting of Options shall be made at the sole discretion of the Board. The Plan shall in no way hinder, limit, force, restrict or prevent the Board with respect to the granting or the issuance of Shares or any other stock of the Corporation, except as specified in the Plan.

### **SECTION 3**

#### **TERMS AND CONDITIONS OF THE OPTIONS**

##### **3.1 Issuance of Shares by the Board**

The Shares to be issued to Participant upon the exercise of the Options must be authorized by the Board.



### 3.2 Number of Shares

- (a) The Options to be granted under the Plan must not be exercisable for more than 10% of the issued Shares at the time of the grant of the Options, it being agreed that all options of the Corporation issued before the date of the Plan and still outstanding will be taken into account and calculated for that purpose. In addition, options that were cancelled or expired without being exercised continue to be available to grant under the Plan.
- (b) The number of Shares reserved for issuance within a period of 12 months must not exceed the following percentage of issued and outstanding Shares of the Corporation, being:
  - (i) 5 % in the case of one Eligible Person that is not a Consultant;
  - (ii) 2% in the case of a Consultant; and
  - (iii) 2% for all Persons performing Investor Relations Activities.
- (c) The Options to be granted under the Plan to Insiders, within a 12-month period, are limited to 10% of the issued Shares.

### 3.3 Vesting

- (a) The Options granted pursuant to paragraph (b) above will only be exercisable in the following manner:
  - (i) for a director, senior executive, Employee and Consultant
    - $33\frac{1}{3}\%$  after the end of the first year following the grant;
    - $33\frac{1}{3}\%$  after the end of the second year following the grant;
    - $33\frac{1}{3}\%$  after the end of the third year following the grant.
  - (ii) for Persons performing Investor Relations Activities:
    - $33\frac{1}{3}\%$  after the end of the first year following the grant;
    - $33\frac{1}{3}\%$  after the end of the second year following the grant;
    - $33\frac{1}{3}\%$  after the end of the third year following the grant.
- (b) The Board may, at any time or from time to time, with the consent of a Participant, accelerate or postpone the vesting of an Option or of any part of an Option held by the Participant if the Board establishes, at its discretion, that this measure is warranted under the circumstances.
- (c) Notwithstanding Section 3.3 (a)(i) herein, each Option held by a Non-Employee Director will vest immediately on the date they resign for reasons other than "for Cause" or fail to be elected at a shareholders meeting, except those granted as a signing bonus.

- (d) Prior approval will need to be obtained from the Exchange if the Board decides to accelerate or apply a vesting schedule for Persons performing Investors Relations Activities which differ from the Exchange policies.

### 3.4 Term of Options

Subject to Sections 3.5, the Expiry Date of an Option shall be the date established by the Board at the time of the granting of the particular Option, provided that such date does not extend beyond the tenth anniversary of the Date of Grant of the Option.

Notwithstanding Section 3.5, if the Expiry Date of an Option falls during a trading blackout period imposed by the Corporation or the Board in accordance with the Corporation's insider trading policy or otherwise, the Expiry Date of the Option shall be automatically extended to the tenth business day following the end of such blackout period.

### 3.5 Termination of Options

Participants may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period, provided that with respect to the exercise of a part of an Option, the Board shall be entitled, at any time and from time to time, to establish the number of Shares with respect to which a Participant may exercise a part of the Option held by such Participant. All of the Options or parts of an Option that have not been exercised during the Exercise Period shall terminate and shall become null and void on the day following the Expiry Date. The Expiry Date of an Option shall correspond to the earliest of either of the following dates, namely the date established by the Board at the time of the granting of the Option, or the date established pursuant to paragraphs (a) to (d) hereinafter:

- (a) If a Termination Date occurs in respect of a Participant for any reason whatsoever other than death, Disability or termination for Cause and subject to any determination to the contrary by the Board, each Option held by the Participant will cease to be exercisable on the earlier of (i) the Expiry date of the Option and (ii) 12 months after the Termination Date. For greater certainty, the Participant will be entitled to exercise the Option only to the extent such Option was by its terms exercisable on the Participant's Termination Date. In addition, if any portion of the Option is unvested as of such Termination Date, the Participant shall also be entitled to exercise the Option to acquire the number of Shares that would have vested on the next anniversary of the Date of Grant of the Option multiplied by the product of which (A) the numerator is the number of calendar days during the period commencing on the immediately prior anniversary of the Date of Grant and ending on the Termination Date, and (B) the denominator is 365.
- (b) *Death* – Upon the death of a Participant, any Options granted to such Person or the remainder thereof may be exercised by his legatees in accordance with the terms and conditions of his last will or by his representative with respect to the estate. Options must be exercised no later than on the earlier of either of the following dates, namely (i) the Expiry Date of the Options, or (ii) the expiry of a period of 12 months following the death of the Participant.
- (c) *Early Retirement, Resignation, Non Re-Election or Termination of Employment Without Cause* – Upon the early retirement, the resignation, the non re-election of a director or the termination of employment without Cause of a Participant or if a Participant ceases to hold office for reasons other than death or reasonable grounds, the Options must be exercised no later than on the earlier of either of the following dates, namely (i) the Expiry Date of the Options, or (ii) the expiry of a period of 3 months following the retirement, the

resignation, the date that the director did not get re-elected on the Board of directors or the termination of employment without Cause.

Any Options not exercised after the dates mentioned in paragraphs (a), (b) and (c) above shall be null and void.

- (d) *Termination of Employment for Cause* – Notwithstanding Section 3.5(a), if a Participant is terminated for Cause, all vested and unvested portions of Options held by that Participant will terminate immediately upon such termination and, in the case of vested portions of Options, cease to be exercisable.
- (e) *Discretion of the Board*– The Board may, at any time or from time to time, with the consent of a Participant and, subject to the approval of the regulatory authorities, accelerate or postpone the Expiry Date of an Option or of any part of an Option held by the Participant if the Board establishes, at its discretion, that this measure is warranted under the circumstances and provided that the Expiry Date of the Option does not extend beyond the tenth anniversary of the Date of Grant.

### **3.6 Exercise Price**

- (a) At the time of the granting of an Option, the Board shall establish the price at which a Participant may purchase a Share upon the exercise of his or her Option, which price shall not be less than the Fair Market Value.
- (b) The Board may reduce the Exercise Price of an Option with the consent of the Participant, subject to the prior approval of the Exchange and the disinterested shareholders of the Corporation if the Participant is an insider of the Corporation.
- (c) A minimum Exercise Price cannot be established unless the Options are allocated to an Eligible Person.

### **3.7 Hold Period**

A four month hold period is required for Options granted to Insiders.

### **3.8 Assignment of Options**

Options may not be assigned or Transferred. However, to the extent provided for pursuant to section 4.1, the Personal Representative of a Participant may exercise Options during the Exercise Period.

### **3.9 Adjustments**

Prior to the exercise in full of an Option, if a stock dividend is paid with respect to the Shares or if the Shares are consolidated, subdivided, converted, exchanged or redesignated, or if they are in any way replaced (collectively designated herein as an "Event"), the Option, to the extent that it has not been exercised, shall entitle the holder thereof, upon its exercise pursuant to its terms and conditions, to the number and type of Shares, other stock or assets that the holder would have been entitled to receive as a result of the Event as if such holder were the owner of the Shares subject to the unexercised part of the Option at the time the Event occurred, and the Exercise Price of the Option shall be the same as if the Shares of the Corporation initially subject to the Option had been purchased pursuant hereto. No fractional Shares shall be issued upon the exercise of the Options and if a Participant is entitled to a fraction of a Share as a result of an Event, then such Participant shall only be entitled to purchase the

nearest lower full number of Shares and no payment or any other adjustment shall be made with respect to the fractional participation that is not taken into account. If an Event occurs, the number of Shares that the Board has authorized pursuant to the Plan as set forth in Section 3.2 shall be adjusted accordingly.

### **3.10 Press Releases**

A press release is required at the time of the grant of Options to Insiders and Persons performing Investor Relations Activities.

## **SECTION 4**

### **EXERCISE OF OPTIONS**

#### **4.1 Exercise of Options**

Only the Participant or his or her Personal Representative may exercise an Option. A Participant or his or her Personal Representative may exercise an Option in whole or in part, at any time or from time to time during the Exercise Period, by giving the Board an Exercise Notice, the applicable Option Certificate and the Exercise Price of the Shares that are being purchased as a result of the exercise of the Option.

#### **4.2 Issuance of Shares**

- a) As soon as practical after the receipt of the Exercise Notice, the Board shall ensure that a certificate for the Shares thus purchased be delivered to the Participant. If the number of Shares thus purchased is less than the number of Shares represented by the Option Certificate that is surrendered, the Corporation shall register the number of Shares with respect to which the Option was exercised and shall return an adjusted Option Certificate to the Participant at the same time as the Share certificate mentioned above.
- b) By the exercise of an Option, the Participant will be deemed to have irrevocably appointed any one of the Chief Executive Officer or Chief Financial Officer or a managing director (or failing any of them any other representative of the Corporation designated by the Board) his attorney to effect any Transfer of the Shares acquired by the Participant, if required, through an Option exercise as described in this Section, on the books of the Corporation.

#### **4.3 Conditions of the Issuance**

The issuance of Shares by the Corporation as a result of the exercise of an Option shall be subject to the laws, rules and Regulations of all the authorities and public bodies applicable, including the Exchange, with respect to the issuance and the distribution of Shares. The Participant agrees to comply with all of these laws, rules and Regulations, that provide the Corporation with the information, reports and covenants necessary in order to comply with such laws, rules and Regulations and to fully collaborate with the Corporation with respect to such compliance.

## SECTION 5

### RIGHT TO TERMINATE OPTIONS

#### 5.1 Termination on Change of Control, Combination, Liquidation or Dissolution of Corporation

Subject to prior approval of the Exchange, notwithstanding any other provision of the Plan, if the Board at any time determines it advisable to do so in connection with any of the following events (each, a **"Proposed Transaction"**):

- a) any Change of Control or any proposed Combination;
- b) any proposed dissolution, liquidation or winding-up of the Corporation, either voluntarily or involuntarily;
- c) any other proposed distribution of the assets of the Corporation among shareholders for the purpose of winding up its affairs;
- d) any proposed merger, consolidation, share exchange, reorganization, amalgamation, arrangement, take-over bid, reverse take-over or other combination or other transaction or series of related transactions pursuant to which all or part of the business of the Corporation is combined with that of the any other Person (a **"Combination"**);
- e) any proposed acquisition, directly or indirectly through any one or more transactions, by any Person other than the Corporation of: (i) any of the Shares of any class of Shares in the capital of the Corporation; or (ii) all or substantially all of the assets of the Corporation;
- f) any proposed long term lease or license of all or substantially all of the assets of the Corporation or of any subsidiary of the Corporation (other than a sale, Transfer or license to a wholly-owned subsidiary of the Corporation);
- g) any combination of the foregoing; or
- h) any like proposed transaction,

the Board, having regard to its fiduciary duties and the best interests of the Corporation, will address the economic value of the rights that Participants, as a group, have in outstanding Options in whatever manner the Board deems to be reasonable in the circumstances, including any of the following:

- i) provide that the Options are assumed, or rights equivalent to the Options are substituted, by the acquiring or succeeding corporation (or an affiliate);
- j) upon written notice to Participants, provide that all unexercised Options (both vested and/or unvested portions thereof) will terminate immediately prior to the consummation of the Proposed Transaction unless those portions of Options which have vested are exercised by respective Participants within a specified number of days following the date of the notice;
- k) in case of a Combination under the terms of which holders of Shares will receive cash and/or other consideration for each Share surrendered in the Combination, provide for the delivery to each Participant of the cash and/or other consideration that the Participant

would have received had the Participant exercised all of the Participant's outstanding vested Options immediately prior to the Combination less the amount the Participant would have been required to pay to the Corporation on that exercise, in cash and/or in a portion of any other consideration having a Fair Market Value equal to the amount, in exchange for the termination of all of the Participant's vested and unvested Options;

- l) require Participants to surrender their outstanding (vested and unvested) Options in exchange for a payment, in cash, Shares or other appropriate consideration as determined by the Board, in an amount equal to the amount by which the then Fair Market Value of the Shares subject to each Participant's unexercised (vested) Options exceeds the exercise price of those Options (treating all unexercised (vested) portions of Options as being fully exercisable for purposes of this calculation);
- m) complete a transaction or series of transactions which are intended to provide to Participants economic consequences which are substantially similar to or more favourable than those provided in Sections 5.1(i) through (l); or
- n) complete a combination of the procedures contemplated by Sections 5.1 (i) through (m), including providing on a good faith basis for certain Participants or groups of Participants to be subject to different procedures than other Participants or groups of Participants.

In the case of any Proposed Transaction, the Board may, in its discretion, advance any waiting, vesting or installment period and exercise date.

For the purposes of this Section 5.1, if the cash and/or other consideration that the Participant is entitled to receive after deducting the amount that the Participant would have been required to pay to the Corporation on exercise of Options, if applicable, is not greater than zero, the Options shall be cancelled for no additional consideration.

## **5.2 Substitute Options upon Acquisition by the Corporation**

The Corporation may grant Options under the Plan in substitution for options held by directors, officers or Employees of, or Consultants to, another entity who become Eligible Persons as a result of a merger or consolidation of the other entity with the Corporation, or as a result of the acquisition by the Corporation of property or securities of the other entity. The Corporation may direct that substitute Options be granted on any terms and conditions that the Board considers appropriate in the circumstances, subject to applicable laws and the requirements of each applicable regulatory authority and Exchange.

## **SECTION 6**

### **ADMINISTRATION**

#### **6.1 Administration**

The Board is responsible for the administration of the Plan. The Board may, at any time and from time to time, establish, change and repeal Regulations that are in compliance with the Plan, as it deems necessary or advisable with respect to the proper administration and operation of the Plan, and such Regulations are an integral part of the Plan. The Board may delegate some of its functions and administrative powers to a director, senior executive or Employee of the Corporation, as it deems appropriate.

## **6.2 Interpretation**

The Board's interpretation of any provision of the Plan and its decisions with respect thereto shall be final and binding and shall not be subject to any dispute on the part of a Participant. No member of the Board nor any Person acting pursuant to powers that have been delegated hereunder shall be responsible for any of the measures taken or decisions made in good faith with respect to the Plan and each member of the Board and each of these Persons shall be indemnified with respect to the measures or decisions as provided for by the Corporation.

## **6.3 Capital Adjustments**

If there is any change in the outstanding Shares by reason of a share dividend or split, subdivision, recapitalization, consolidation, Combination or exchange of Shares or other similar corporate change, subject to any prior approval required of applicable regulatory authorities or Exchange, the Board may make appropriate substitution or adjustment in:

- (a) the Fair Market Value of the Shares on any relevant date and/or any exercise price of unexercised Options;
- (b) the number or kind of Shares or other securities or property issuable pursuant to the Plan; and
- (c) the number and kind of Shares subject to unexercised Options theretofore granted and in the exercise price of those Options,

provided, however, that no substitution or adjustment will obligate the Corporation to issue or sell fractional Shares.

## **SECTION 7**

### **AMENDMENTS TO AND TERMINATION OF THE PLAN**

#### **7.1 Future Amendments**

The Board may, from time to time and subject to the approval of regulatory authorities, amend the Plan and the terms and conditions of any Option to be granted thereafter, and without limiting the generality of the foregoing, the Board may make such amendments in order to comply with changes to any relevant law or Regulation applicable with respect to the Plan, an Option or the Shares, or for any other purposes authorized by law. However, such amendments shall not affect any rights of any Participant pursuant to an Option, nor affect the terms and conditions of an Option that was granted to such Participant prior to the amendment.

#### **7.2 Advanced Exercise of Options**

Notwithstanding any provision to the contrary in the Plan or in a resolution of the Board passed to carry out such provision, if the Corporation and another company (with the exception of a wholly-owned subsidiary) have the intention of merging, or if the Corporation intends to proceed with its liquidation or dissolution, voluntary or otherwise, or if an offer is made to purchase all or part of the Corporation's outstanding Shares, the Board of Directors, by means of a written notice to this effect given to each Participant, may then allow for the exercise of Options within 30 days after the date of the written notice.

and shall stipulate that at the end of the 30 day period, all of the rights of the Participants with respect to the exercise of any non-exercised Options shall immediately be terminated.

**7.3 Retroactive Amendment**

The Board may, from time to time and subject to the approval of regulatory authorities, retroactively amend the Plan and, with the consent of the affected Participants, retroactively amend the terms and conditions of the Options that have been granted until then.

**7.4 Termination of the Plan**

The Board may terminate the Plan at any time provided that such termination does not affect the rights of any Participant pursuant to any Option and does not amend the terms and conditions of any Option that has been granted to such Participant before the date of such termination and, notwithstanding such termination, the Corporation, the Options and the Participants shall continue to be subject to the provisions of the Plan.

**7.5 Compliance with Legislation**

The Corporation will not be obligated to grant any Options, issue any Shares on the exercise of an Option, make any payments or take any other action pursuant to the Plan or an Option agreement if, in the opinion of the Board (in this Section 7.5 "Board" will not include a Committee) exercising its discretion, such action would conflict or be inconsistent with any applicable law or Regulation of any governmental agency having jurisdiction, including, in particular, any federal, provincial or state securities laws, or the requirements of the Exchange, and the Board reserves the right to refuse to take such action for so long as such conflict or inconsistency remains outstanding. The Board will make reasonable efforts to resolve or remove such conflict or inconsistency. If such conflict or inconsistency remains outstanding for more than 12 months after the date of exercise of an Option, the Board will take such steps to provide the Participant with compensation which is equitable and appropriate in the circumstances, in which case the actions taken by the Corporation in consequence of such determination will be deemed to have satisfied the Corporation's obligations that would otherwise have existed.

**7.6 No Rights as a Shareholder**

No Participant will have any rights as a shareholder in respect of any Shares issuable upon exercise of an Option (including the right to receive dividends or other distributions therefrom or thereon), unless and until and except to the extent that such Share has been paid for and issued and a share certificate delivered upon proper exercise of the Option.

**7.7 Right to Terminate Service**

Nothing contained in the Plan or in any Option granted hereunder will restrict the right of the Corporation to terminate the employment, consulting or other service of any Employee or Consultant at any time and for any reason, with or without notice.

**7.8 Notices**

Any notice or other communication required or permitted to be given under the Plan will be in writing and will be given by prepaid first-class mail, by electronic mail or other means of electronic communication or by hand-delivery as provided below. Any notice or other communication, if mailed by prepaid first-class mail at any time other than during a general discontinuance of postal service due to strike, lockout or



otherwise, will be deemed to have been received on the fourth business day after the post-marked date, or if sent by electronic mail other means of electronic communication, will be deemed to have been received on the day of sending, or if delivered by hand will be deemed to have been received on the day on which it is delivered to the applicable address noted below either to the individual designated below or to an individual at that address having apparent authority to accept deliveries on behalf of the addressee. Notice of change of address will also be governed by this Section 7.8. Notices and other communications will be addressed, if to the Corporation, to the head office of the Corporation, Attention: Chief Executive Officer and, if to a Participant, at the last address which appears on the records of the Corporation.

#### **7.9 Submission to Jurisdiction**

The Corporation and each Participant irrevocably submit to the non-exclusive jurisdiction of the courts of Quebec in respect of all matters relating to the Plan and any Option agreement.

#### **7.10 Further Assurances**

Each Participant will promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all further acts, documents and things as the Corporation may reasonably require from time to time for the purpose of giving effect to the Plan and will use reasonable efforts and take all steps as may be reasonably within the Participant's power to implement to their full extent the provisions of the Plan.

#### **7.11 Counterparts**

Any Option agreement or other document contemplated under the Plan may be signed in counterparts and each counterpart will constitute an original document and all counterparts, taken together, will constitute one and the same instrument. Counterparts may be delivered by facsimile or other means of electronic communication.

## **SECTION 8 AGREEMENT**

#### **8.1 Agreement**

The Corporation and every Participant are bound by the terms and conditions of the Plan and the execution of a copy of the text of the Plan as well as the delivery thereof by a Participant to the Board pursuant to section 2.5 shall constitute the agreement between the Corporation and such Participant.

**LAMÉLÉE IRON ORE LTD.**

By: (s) Pierre Lortie  
Authorized signatory

The undersigned hereby acknowledges having received a copy of the text of the Plan and agrees to be bound by the provisions thereof and by any amendment that is made thereto to the extent that such amendment applies from time to time.

Dated \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature of Participant

\_\_\_\_\_  
Name of Participant (in block letters)

**SCHEDULE A**

**LAMÉLÉE IRON ORE LTD. (the "Corporation")**

**STOCK OPTION PLAN**

**OPTION CERTIFICATE**

The present Option Certificate is delivered pursuant to the provisions of the Stock Option Plan of the Corporation dated October 10, 2011 and amended on January 15, 2014 and May 22, 2014 (the « **Plan** ») and certifies that the optionee mentioned below (the "**Participant**") holds Options (as defined in the Plan) to purchase common shares (the « **Shares** ») in the share capital of the Corporation, in accordance with the following terms and conditions and the terms and conditions set out in the Plan:

Participant:	
Grant Date:	
Number of Options:	
Exercise Price:	
Vesting Schedule:	
Expiry:	

The Participant (or his or her Personal Representative (as defined in the Plan) as provided for in the Plan) may exercise these Options during the Exercise Period (as defined in the Plan) by giving the Board of Directors an Exercise Notice (as defined in the Plan) accompanied by this Option Certificate and a certified cheque or bank draft payable to the Corporation, in an amount equal to the aggregate Exercise Price of the Shares with respect to which these Options are being exercised. If only part of these Options are being exercised, the Board of Directors shall make a note on this Option Certificate indicating the extent of the exercise and this Option Certificate shall then be returned to the Participant.

This Option Certificate, as well as the Options represented thereby, may not be assigned, nor is it negotiable and it is subject to all of the specified terms and conditions contained in the Plan. This Option Certificate is only delivered for convenience and in the event of a dispute with respect thereto, the provisions of the Plan and the records of the Corporation shall have priority.

The grant of Options described in this Option Certificate shall only become effective once the Participant has signed a copy of the Plan or an Acknowledgement and Undertaking which appears in Schedule A to this Option Certificate. The Plan requires such signature to be provided within ten (10) days following receipt of the Plan.

Dated in \_\_\_\_\_ on \_\_\_\_\_, 20\_\_.

**LAMÉLÉE IRON ORE LTD.**

By: \_\_\_\_\_  
Authorized signatory

**APPENDIX A TO THE OPTION CERTIFICATE**

**ACKNOWLEDGEMENT AND UNDERTAKING**

TO: LAMÉLÉE IRON ORE LTD. (the "**Corporation**")

**WHEREAS** the Board of directors of the Corporation has granted to the undersigned \_\_\_\_\_ options on \_\_\_\_\_ in accordance to the terms and conditions specified in the option certificate reflecting such grant (the "**Option Certificate**");

**WHEREAS** the Corporation sent a copy of the Stock Option Plan of the Corporation dated October 10, 2011 and amended on January 15, 2014 and May 22, 2014 (the "**Plan**") to the undersigned;

**NOW THEREFORE**, in order to validate the grant of options described in the Option Certificate which shall not take effect until this Schedule A is signed, the undersigned:

1. acknowledges and confirms that his participation is voluntary;
2. acknowledges having received a copy of the Plan which was applicable at the time of his grant of options and that no amendment to the Plan thereafter shall affect any right of the undersigned granted thereto, except if such amendment is approved by the undersigned or is required in order to comply with changes to any relevant law or regulation applicable with respect to the Plan;
3. has read and understands the Plan and accepts to be bound by the provisions thereof and the terms and conditions of the Option Certificate; and

Signed in \_\_\_\_\_, on \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Participant

**SCHEDULE B**

**LAMÉLÉE IRON ORE LTD.**

**STOCK OPTION PLAN EXERCISE NOTICE**

**To the Board of Directors of Lamêlée Iron Ore Ltd.**

Pursuant to the Stock Option Plan (the «Plan») of Lamêlée Iron Ore Ltd., the undersigned hereby gives an irrevocable notice of the exercise of the Option regarding the purchase of the following Shares and hereby subscribes (cross out the inappropriate item):

- (a) all of the Shares; or
- (b) \_\_\_\_\_ of the Shares,

that are subject to the Option Certificate accompanying this document.

With this notice, the undersigned is delivering a cheque certified or bank draft payable to Lamêlée Iron Ore Ltd. in an amount equal to the aggregate Exercise Price of the Shares previously subscribed and requests that Lamêlée Iron Ore Ltd. delivers to the undersigned a certificate representing the Shares pursuant to the instructions indicated hereunder.

DATED: \_\_\_\_\_

\_\_\_\_\_  
(Signature of the Participant)

\_\_\_\_\_  
(Name of the Participant -in block letters)

Information concerning the registration of the certificate:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SCHEDULE D**  
**AUDIT COMMITTEE CHARTER**

**LAMÉLÉE IRON ORE LTD.**  
**(the “Corporation”)**

**AUDIT COMMITTEE CHARTER**

**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 Regulation 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 four (4) times a year 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
  - ii) 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;
  - iii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and
  - iv) 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.