



GLOBAL
LI-ION GRAPHITE CORP

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Suite 908 - 510 Burrard Street
Vancouver B.C. V6C 3A8

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS
TO BE HELD ON JUNE 20, 2018**

AND

INFORMATION CIRCULAR

Dated May 22, 2018

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.

GLOBAL LI-ION GRAPHITE CORP.

Suite 908 - 510 Burrard Street
Vancouver BC V6C 3A8

NOTICE

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**") of Global Li-Ion Graphite Corp. (the "**Company**") will be held at Suite 310, 318 Homer Street, Vancouver, BC V6B 2V2, on Wednesday, June 20, 2018 at 10:00 a.m. (Pacific time), for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended August 31, 2017;
2. to set the number of directors;
3. to elect the directors of the Company to hold office until the next Meeting of Shareholders of the Company;
4. to appoint Wolrige Mahon LLP as the Company's auditor for the ensuing fiscal year and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, approve an ordinary resolution approving and ratifying the Company's existing stock option plan; and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Board of Directors has fixed May 16, 2018 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered Shareholder at the close of business on that date is entitled to receive notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered Shareholder and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., at its office located on the 2nd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9, by no later than 10:00 a.m. (Pacific time) on June 18, 2018, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

If you are a non-registered Shareholder and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dated at Vancouver, British Columbia as of May 22, 2018.

ON BEHALF OF THE BOARD OF DIRECTORS

Global Li-Ion Graphite Corp.

/s/ Jason Walsh
Jason Walsh
Director

GLOBAL LI-ION GRAPHITE CORP.

Suite 908 - 510 Burrard Street
Vancouver B.C. V6C 3A8

INFORMATION CIRCULAR

INTRODUCTION

This Information Circular accompanies the notice of annual general meeting (the “**Notice**”) and is being furnished to the holders of common shares of Global Li-Ion Graphite Corp. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general meeting (the “**Meeting**”) of shareholders to be held at 10:00 a.m. (Pacific time) on Wednesday, June 20, 2018 at Suite 310, 318 Homer Street, Vancouver, BC V6B 2V2, or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is May 22, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

The Company has arranged for intermediaries to forward the Meeting materials to beneficial owners of common shares of the Company held of record by those intermediaries. The Company has distributed or made available for distribution, copies of the Notice, this Information Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to holders (the “**Beneficial Shareholders**”) of the Company’s common shares held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

The Company will pay for intermediaries to forward to both non-objecting beneficial owners and objecting beneficial owners under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*.

These materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. On a show of hands, every registered shareholder is entitled to one vote for each common share that such registered shareholder holds on the record date of May 16, 2018 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of registered shareholders is available for inspection during normal business hours at the offices of the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”), and will be available at the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are: (1) Jason Walsh; (2) Geoff Watson; and (3) John Roozendaal, who are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Transfer Agent at its offices located at 2nd Floor, 510 Burrard Street Vancouver, BC V6C 3B9, by mail or fax, no later than 10:00 a.m. (Pacific time) on June 18, 2018, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting. The Company may extend the deadline to accept proxies in its complete and sole discretion.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder’s attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially-certified copy thereof, must accompany the form of proxy.

Revocation of Proxy

A registered shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder’s attorney-in-fact authorized

in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chair of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a registered shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the common shares represented will be voted or withheld from the vote on that matter accordingly. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder’s name on the records of the Company. Such common shares will more likely be registered under the names of the shareholder’s broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions**

respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting.

The Company does not have access to the names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common 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 similar to the Form of Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of common shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the common shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form as a proxy to vote common shares directly at the Meeting. Rather, such a voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the common shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his or her common shares.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Only registered shareholders as of May 16, 2018 (the "**Record Date**"), are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement thereof.

The Company is authorized to issue an unlimited number of common shares without par value. As of the Record Date, a total of 40,675,182 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

As of the date of this Information Circular, to the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, common shares carrying more than 10% of the voting rights attached to the outstanding common shares of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

I. Presentation of Financial Statements

Audited Financial Statements

The audited financial statements of the Company for the fiscal year ended August 31, 2017, together with the report of the auditor therein, will be placed before the Meeting. Receipt at the Meeting of those financial statements will not constitute approval or disapproval of any matters referred to therein. No vote will be taken on the financial statements, which are available at www.sedar.com.

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”) and NI 54-101, a person or corporation who in the future wishes to receive annual and interim financial statements from the Company must deliver a written request for such material to the Company. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the enclosed request form and send it to the Transfer Agent.

II. Number of Directors

The Articles of the Company provide for a Board of Directors of no fewer than three directors and no greater than a number as fixed or changed from time to time by ordinary resolution.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at four (4).

Management recommends the approval of the resolution to set the number of directors of the Company at four (4).

III. Election of Directors

At present, the directors of the Company are elected at each annual meeting of shareholders and hold office until the next annual meeting, or until their successors are duly elected or appointed in accordance with the Company’s Articles or until such director’s earlier resignation, removal or death. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board of Directors.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, as of the date of this Information Circular, is as follows:

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Director Since	Number of Common Shares Owned⁽¹⁾⁽²⁾	Number of Common Shares Currently Under Options
Jason Walsh⁽³⁾ British Columbia, Canada <i>Director</i>	Director and Officer of the Company; officer of International Ranger Corp.; officer of Scout Exploration Inc.; and director and officer of THC Biomed Intl Ltd. from 2003-2017.	November 6, 2014	1,295,224 (3.18%) ⁽⁴⁾	500,000 ⁽⁵⁾

Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Director Since	Number of Common Shares Owned ⁽¹⁾⁽²⁾	Number of Common Shares Currently Under Options
Geoff Watson⁽³⁾ British Columbia, Canada <i>Director, Chief Financial Officer and Secretary</i>	Director and officer of the Company; director of Zadar Ventures Ltd.; director and officer of Eagle Mountain Gold Corp. from 2012-2014; and director of THC Biomed Intl Ltd. from 2010-2015.	November 6, 2014	765,289 (1.88%) ⁽⁶⁾	500,000 ⁽⁷⁾
John A. Roozendaal Manitoba, Canada <i>Director, President and CEO</i>	Director and officer of the Company, director of Zadar Ventures Ltd.; director of Scout Exploration Inc. from 2008-2016; director and officer of VMS Ventures Inc. from 2004-2016; director and officer of Harvest Gold Corporation from 2005-2015; and director of North American Nickel Inc. from 2010-2016.	November 6, 2014	765,289 (1.88%) ⁽⁸⁾	250,000
Glen MacDonald⁽³⁾ British Columbia, Canada <i>Director</i>	Director of the Company since 2014; director of various junior exploration companies; self employed professional geologist.	November 6, 2014	330,000 (0.81%)	100,000

- (1) The number of common shares beneficially owned, or controlled or directed, directly or indirectly, at the date of this Information Circular is based upon information furnished to the Company by the individual directors or obtained from the System for Electronic Disclosure by Insiders ("SEDI").
- (2) Based on 40,675,182 common shares issued and outstanding as of the date of this Information Circular.
- (3) Member of the Audit Committee.
- (4) Mr. Walsh directly owns one common share of the Company and indirectly owns 1,295,223 common shares of the Company through Bua Capital Management Ltd., a company which he controls.
- (5) Mr. Walsh indirectly owns 500,000 stock options of the Company through Bua Capital Management Ltd., a company which he controls.
- (6) Mr. Watson directly owns 375,000 common shares of the Company; indirectly owns 40,289 common shares of the Company through Complete Communications Inc., a company which he controls; and indirectly owns 350,000 common shares of the Company through GRW Inc., a company which he controls.
- (7) Mr. Watson indirectly owns 500,000 stock options of the Company through Complete Communications Inc., a company which he controls.
- (8) Mr. Roozendaal directly owns 40,289 common shares of the Company and indirectly owns 725,000 common shares of the Company through 667981 BC Ltd., a company which he controls.

Management recommends the approval of each of the nominees listed above for election as a director of the Company for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

Penalties, Sanctions and Bankruptcy

Other than as disclosed below, no director or officer or, to our knowledge, shareholder holding sufficient securities to affect materially our control, nor a personal holding company of any such persons, has within the past 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

- Geoff Watson filed for bankruptcy on May 12, 2009 and was discharged on February 13, 2010.

Other than as disclosed below, during the past 10 years, none of our directors, officers, insiders, or promoters, or a shareholder holding a sufficient number of our securities to materially affect control of us, was a director, officer, insider, or promoter of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied that issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days, or 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 the assets of that person.

- Jason Walsh is a director and officer of International Ranger Corp., which was cease traded by the BCSC on July 6, 2006 in respect of some corporate disclosure concerns. That cease trade order was revoked on July 18, 2007. A second cease trade order was issued by the BCSC on January 20, 2009 and was subsequently revoked on February 20, 2009. A third cease trade order was issued by the BCSC on August 18, 2009 and is still active in B.C.
- Jason Walsh and John Roozendaal were directors and officers of Scout Exploration, Inc. when it was issued a cease trade order by the BCSC on February 24, 2009 for failure to file financial statements. The cease trade order was revoked on February 25, 2009. A second BCSC cease trade order was issued on February 5, 2010 and remains active.
- Jason Walsh was cease traded pursuant to an order issued by the BCSC on October 23, 2012. The order stated that Mr. Walsh made changes in his beneficial ownership of securities of the company between February 2, 2010 and September 15, 2012 and these changes were not filed in the required insider reports within the prescribed time. The matter has been cleared up and all insider information has been filed. No disciplinary action was ever taken. This order was revoked on October 8, 2014.
- Glen MacDonald was a director of Dunes Exploration Ltd. (formerly Dynamic Resources Corp.) when it was issued a management cease trade order by the ASC on May 1, 2009 for failure to file financial statements. The management cease trade order was revoked on July 10, 2009.
- Glen MacDonald was a director of Maxim Resources Inc. when it was issued a cease trade order by the BCSC on May 4, 2009 for failure to file financial statements. The cease trade order was revoked on August 4, 2009.
- Glen Macdonald was a director of Wind River Resources Ltd. and on May 1, 2009, Mr. Macdonald was subject to a management cease trade order issued by the Alberta Securities Commission as a result of the failure of the Wind to make required filings. The order expired on July 10, 2009.
- Glen MacDonald was a director and CFO of Shoshoni Gold Inc. when it was issued a cease trade order on July 6, 2015 for failure to file financial statements. The cease trade order was revoked on October 9, 2015.

No director or officer or, to the our knowledge, shareholder holding sufficient securities to affect materially our control, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

IV. Re-Appointment of Auditor

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Wolrige Mahon LLP as the auditor of the Company to hold office until the next annual meeting of shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board of Directors to fix the remuneration to be paid to the auditor. Wolrige Mahon LLP, of Vancouver, British Columbia, has served as the auditor of the Company since December 4, 2015.

Management recommends Shareholders to vote for approval of the re-appointment of Wolrige Mahon LLP as auditor of the Company to hold office until the next annual general meeting of shareholders, at a remuneration to be fixed by the Board of Directors.

V. Approve Stock Option Plan

The Company has a Stock Option Plan (the “**Stock Option Plan**”) which is a “rolling” stock option plan under which options may be granted equal in number to 10% of the issued and outstanding capital of the Company at the time of grant of the stock option.

The Company's Stock Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Stock Option Plan is administered by a committee of the Board of Directors. The Stock Option Plan provides that options will be issued to directors, officers, employees and consultants of the Company.

The objective of the Stock Option Plan is to provide for and encourage ownership of common shares of the Company by its directors, officers and key employees and those of any subsidiary companies so that such persons may increase their stake in the Company and benefit from increases in the value of the common shares. The Stock Option Plan is designed to be competitive with the benefit programs of other companies in the natural resource industry. It is the view of management that the Stock Option Plan is a significant incentive for the directors, officers and key employees to continue and to increase their efforts in promoting the Company's operations to the mutual benefit of both the Company and such individuals.

The material attributes of the Company's Stock Option Plan are as follows:

- Options may be granted to directors, employees, management company employees and consultants;
- All options granted pursuant to the Stock Option Plan shall be subject to applicable corporate and securities laws, and rules and policies of any stock exchange or exchanges on which the common shares of the Company may be listed on in the future, and any other regulatory body having jurisdiction thereafter (collectively, “**Applicable Laws**”);
- The exercise price of options shall be determined by the board of directors, subject to applicable stock exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Applicable Laws;

- The aggregate number of common shares of the Company issuable upon the exercise of all options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company from time to time;
- No single participant may be granted options to purchase a number of Shares equaling more than 5% of the issued Shares of the Company in any twelve-month period, unless the Company meets requirements under Applicable Laws;
- Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Company in any twelve-month period to any one consultant of the Company;
- Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of the Company in any twelve-month period to any person conducting investor relations activities (as such term is defined in the policies of the applicable exchange);
- The Board of Directors may determine the term of the options, but the term shall in no event be greater than five (5) years from the date of issuance; and
- Terms of vesting of the options, the eligibility of directors, officers, employees, management company employees and consultants to receive options and the number of options issued to each participant shall be determined at the discretion of the board of directors.

Shareholders will be asked to consider, and if thought fit to approve a resolution ratifying and approving the Company's existing Stock Option Plan. Reference should be made to the full text of the Stock Option Plan which will be made available at the offices of Segev LLP, Suite 310, 318 Homer Street, Vancouver, BC V6B 2V2, until the business day immediately preceding the date of the Meeting.

Management recommends shareholders to vote for the approval of the Stock Option Plan.

STATEMENT OF EXECUTIVE COMPENSATION

Under this heading, the Corporation is including the disclosure required by Form 51-102F6V *Statement of Executive Compensation – Venture Issuer*.

Definitions

For the purpose of this Information Circular:

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

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

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

- (a) a CEO;
- (b) a CFO;
- (c) the Company's most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

Summary Compensation Table Excluding Compensation Securities

The following table summarizes the compensation excluding compensation securities paid to each of the NEOs and the Board of Directors for the last two completed financial years:

Table of Compensation Excluding Compensation Securities							
Name and Position	Year Ended August 31,	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
John Roozendaal ⁽¹⁾ <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Geoff Watson ⁽²⁾ <i>Director, Chief Financial Officer and Secretary</i>	2017	74,214 ⁽³⁾	Nil	Nil	Nil	Nil	74,214
	2016	18,000 ⁽³⁾	Nil	Nil	Nil	Nil	18,000
Jason Walsh ⁽⁴⁾ <i>Chairman and former President and Chief Executive Officer</i>	2017	45,000 ⁽⁵⁾	Nil	Nil	Nil	Nil	45,000
	2016	76,700 ⁽⁵⁾	Nil	Nil	Nil	Nil	76,700
Glen MacDonald ⁽⁶⁾ <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Mr. Roozendaal has served as a director since November 6, 2014, and was appointed President and Chief Executive Officer on November 9, 2017.
- (2) Mr. Watson has served as Chief Financial Officer, secretary and a director since November 6, 2014.
- (3) The Company incurred accounting fees and administrative fees payable to a company controlled by Geoff Watson.
- (4) Mr. Walsh has served as a director since November 6, 2014 and resigned as President and Chief Executive Officer on November 9, 2017.
- (5) The Company incurred management consulting fees payable to a company controlled by Jason Walsh.
- (6) Mr. MacDonald has served as a director since November 6, 2014.

Stock Options and Other Compensation Securities

The table below sets out all compensation securities granted or issued to each NEO and director of the Company in the financial year ended August 31, 2017 for services provided or to be provided to the Company.

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class ⁽¹⁾	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant (\$)	Closing Price of Security or Underlying Security at Year End (\$)	Expiry Date
John Roozendaal <i>Director, President and CEO</i>	Options	250,000 (0.87%) ⁽²⁾	July 14, 2017	0.25	N/A	0.38	July 14, 2019
Geoff Watson <i>Director, Chief Financial Officer and Secretary</i>	Options	250,000 (0.87%) ⁽³⁾	July 14, 2017	0.25	N/A	0.38	July 14, 2019
Jason Walsh <i>Director</i>	Options	250,000 (0.87%) ⁽⁴⁾	July 14, 2017	0.25	N/A	0.38	July 14, 2019
Glen MacDonald <i>Director</i>	Options	100,000 (0.35%) ⁽⁵⁾	July 14, 2017	0.25	N/A	0.38	July 14, 2019

(1) Based on 28,641,166 common shares issued and outstanding as at August 31, 2017.

(2) Mr. Roozendaal currently holds a total of 250,000 options to purchase common shares in the Company.

(3) Mr. Watson currently holds a total of 500,000 options to purchase common shares in the Company through Complete Communications Inc., a company which he controls.

(4) Mr. Walsh currently holds a total of 500,000 options to purchase common shares in the Company through Bua Capital Management Ltd., a company which he controls.

(5) Mr. MacDonald currently holds a total of 100,000 options to purchase common shares in the Company.

Exercise of Compensation Securities by Directors and NEOs

There are no compensation securities exercised by each NEO and director of the Company in the financial year ended August 31, 2017.

Stock Option Plans and Other Incentive Plans

All of the Company's officers, directors, employees and consultants are eligible to participate the Stock Option Plan. The Stock Option Plan is the only security based compensation plan that the Company currently has in place. The Stock Option Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total shareholder return over the long-term both on an absolute and relative basis. The Stock Option Plan promotes an ownership perspective among and encourages the retention of key employees and consultants. Additionally, it provides an incentive to enhance shareholder value by furthering the Company's growth and profitably.

The Stock Option Plan provides for the issuance of stock options to acquire up to that number that is 10% of the issued and outstanding common shares of the Company as at the date of the respective grant. A copy of the Stock Option Plan is available for review at (a) www.sedar.com and (b) at the registered and records office of the Company, Suite 310 – 318 Homer Street, Vancouver, BC V6B 2V2.

Options are normally recommended by management and approved by the Board of Directors upon the commencement of an individual's employment with the Company based on the individual's level of responsibility within the organization and their contribution to the Company's success. Additional grants may be made periodically to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Company. Previous grants are taken into account when considering new grants.

The use of options by the Company results in a significant portion of senior officer compensation being "**at risk**" and directly linked to the achievement of business results and long-term value creation for the Company's shareholders. As at August 31, 2017, there were 1,550,000 stock options outstanding and exercisable:

Number of Options	Exercise Price	Expiry Date
1,550,000	\$0.35	July 14, 2019

Employment, Consulting and Management Agreements

The Company has the following agreements with the two executive officers listed below:

- The Company provides monthly payments of \$2500.00 plus applicable taxes to GRW Inc., a company controlled by Geoff Watson, a director and CFO of the Company, for accounting and consulting services.
- On December 30, 2016, the Company entered into a contract for services with Bua Group Holdings Ltd., a company controlled by Geoff Watson, a director and CFO of the Company, for administrative services. The contract was renewed on January 1, 2018 for an additional term of one year. The agreement can be terminated by written notice from Bua Group Holdings Ltd.
- On March 1, 2017, the Company entered into a Contract for Services with Bua Capital Management Ltd., a company controlled by Jason Walsh, a director of the Company, for management services. The term of the agreement is from March 1, 2017 until March 1, 2018. The parties renewed the agreement for an additional year, effective as of January 1, 2018. The agreement can be terminated by written notice from Bua Group Holdings Ltd.

Oversight and Description of Director and Named Executive Officer Compensation

The Board of Directors is responsible for determining, by way of discussions at board meetings, the compensation to be paid to the directors and executive officers of the Company. The Company does not currently have a formal compensation program in place with specific performance goals or similar conditions; however, the performance of each executive officer is considered along with the Company's ability to pay compensation and its results of operation for the period. The Company does not use any benchmarking in determining compensation or any element of compensation.

The Company's compensation program for all of its employees, including its named executive officers, consists of long-term incentive compensation comprised of share options and base salaries. This program is designed to achieve the following key objectives:

- (a) support the Company's overall business strategy and objectives;
- (b) provide market competitive compensation that is substantially performance-based;
- (c) provide incentives that encourage superior corporate performance and retention of highly skilled and talented employees; and

- (d) align executive compensation with corporate performance and therefore shareholders' interests.

The value of this program is used as a basis for assessing the overall competitiveness of the Company's compensation package. The fixed element of compensation provides a competitive base of secure compensation required to attract and retain executive talent. The variable performance-based, or "at risk" compensation, is designed to encourage both short-term and long-term performance by employees of the Company.

The decision to grant options is made by the Board of Directors as a whole, and neither total compensation nor any significant element thereof is tied to specific performance criteria or goals.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all the Company's equity compensation plans as of August 31, 2017.

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾	(b) Weighted-average exercise price of outstanding options, warrants and rights	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	1,550,000	\$0.25	1,314,116 ⁽²⁾
Equity compensation plans <u>not</u> approved by security holders	N/A	N/A	N/A
Total	1,550,000		

(1) Options are exercisable into underlying common shares of the Company on a one-for-one basis.

(2) Based on 28,641,166 common shares issued and outstanding as at August 31, 2017.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of April 11, 2018, being a date within 30 days before this Information Circular, no director, executive officer or employee of the Company or any of its subsidiaries; former director, executive officer or employee of the Company or any of its subsidiaries; proposed nominee for election as a director of the Company; or any associate of any of the foregoing: (i) is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year, or (ii) is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries at any time since the beginning of the Company's most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Information Circular, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, common shares or who exercises control or direction of common shares, or a combination of both carrying more than 10% of the voting rights attached to the outstanding common shares (an "Insider"); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or

Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of common shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of common shares.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* ("NI 52-110") requires the Company to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

Audit Committee Charter

On December 29, 2014, the Company adopted an audit committee charter, the text of which is included as Schedule A to this Information Circular.

Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Name	Independence	Financial Literacy
Geoff Watson ⁽¹⁾	Not Independent	Financially literate
Jason Walsh	Independent	Financially literate
Glen MacDonald	Independent	Financially literate

(1) Chair of the Audit Committee.

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

Geoff Watson has significant accounting and executive management experience. He is currently a principal of Complete Communications Inc., a private company that provides services relating to accounting and financial matters.

Jason Walsh has considerable public company experience. He has served as a director and officer of various public companies for over 20 years.

Glen MacDonald is a self-employed Consulting Professional Geologist with a B.Sc. from the University of British Columbia. He has significant board experience with junior exploration companies and currently serves as a director for several publicly-listed companies.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on an exemption in or from NI 52-110, other than the exemption in section 6.1 as described below.

Reliance on Section 6.1

Pursuant to section 6.1 of NI 52-110, as a venture issuer we are relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter under the heading "External Auditors".

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company's auditor in the last two fiscal years, by category, are as set out in the table below.

	2017 (\$)	2016 (\$)
Audit fees	19,500	10,000
Audit-related fees	Nil	Nil
Tax fees	390	1,750
All other fees	487.50	3,000

CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board of Directors and the Company's management believes that effective corporate governance will help create and maintain shareholder value in the long term. A description of the Company's corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

Board of Directors

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

Independence of Directors

A director is independent if he or she has no direct or indirect material relationship with the Company that the Board of Directors believes could reasonably be perceived to materially interfere with his or her ability

to exercise independent judgment. Applicable securities laws set out certain situations where a director is deemed to have a material relationship with the Company.

The Board of Directors is currently comprised of and proposed to be comprised of four (4) directors, two (2) of whom are considered independent under applicable securities laws, namely, Jason Walsh and Glen MacDonald.

John Roozendaal is the President and Chief Executive Officer; and Geoff Watson is the Chief Financial Officer and secretary and therefore, these directors are not independent directors.

Directorships

The following directors of the Company and each of the individuals to be nominated for election as a director of the Company at the Meeting serve as directors of other reporting issuers, as of the date of this Information Circular:

Name of Director	Other Reporting Issuer
Jason Walsh	Scout Exploration Inc.
	International Ranger Corp.
Geoff Watson	Zadar Ventures Ltd.
John A. Roozendaal	Zadar Ventures Ltd.
Glen MacDonald	Vinergy Resources Ltd.
	Golden Caribou Resources Ltd.
	GAR Limited
	True North Gems Inc.
	Noram Ventures Inc.
	Columbus Energy Limited
	Starr Peak Explorations Ltd.
	Westminster Resources Ltd.
	Blind Creek Resources Inc.
	Zanzibar Gold Inc.
	Shoshoni Gold Ltd.
	Pistol Bay Mining Inc.
	Firebird Resources Inc.
	LeanLife Health Inc.
	Hybrid Minerals Inc.
	Glenmac Capital Inc.
Nishal Capital Inc.	
Priyanka Capital Inc.	
Ravensden Capital Inc.	
Real Difference Capital Inc.	

Orientation and Continuing Education

The Board of Directors briefs all new directors with respect to the policies of the Board of Directors and other relevant corporate and business information. The Board of Directors does not provide any continuing education but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills required to meet their obligations as directors. In addition, the Board of Directors undertakes strategic planning sessions with management.

Ethical Business Conduct

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

Nomination of Directors

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

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

Compensation

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

At present, no compensation (other than the grant of incentive stock options) is paid to the directors of the Company in their capacity as directors.

The Board of Directors currently has no compensation committee.

Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

Assessments

The Board of Directors regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Board of Directors and its committees. The Board of Directors is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who has been a director or executive officer at any time since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or

affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

ADDITIONAL INFORMATION

Additional information relating to the Company is available at www.sedar.com.

Shareholders may contact the Company at its head office by mail at Suite 908, 510 Burrard Street, Vancouver, BC V6C 3A8 to request copies of the Company's financial statements and related management's discussion and analysis (the "**MD&A**"). Financial information is provided in the audited financial statements and MD&A of the Company for the year ended August 31, 2017.

OTHER MATTERS

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

APPROVAL OF THE BOARD OF DIRECTORS

The content of this Information Circular has been approved and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board of Directors.

Dated at Vancouver, British Columbia as of May 22, 2018.

ON BEHALF OF THE BOARD OF DIRECTORS

Global Li-Ion Graphite Corp.

/s/ Jason Walsh
Jason Walsh
Director

SCHEDULE A

AUDIT COMMITTEE CHARTER

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company's audit committee, or its Board of Directors in lieu thereof (the "**Audit Committee**"). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

1. Composition

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the "**Chair**") to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

2. Meetings

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company's auditors (the "Auditors") will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor's duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

3. Roles and Responsibilities

The roles and responsibilities of the Audit Committee include the following:

External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.

- (c) Compensation. Recommend to the Board the compensation to be paid to the external auditors.
- (d) Replacement of Auditor. If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) Approve Non-Audit Related Services. Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) Direct Responsibility for Overseeing Work of Auditors. Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) Resolution of Disputes. Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (h) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (i) Review of Interim Financial Statements. Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (j) MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports. Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (k) Auditor Reports and Recommendations. Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (m) Financial Management. Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (n) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (o) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.

- (p) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

Complaints

- (q) Accounting, Auditing and Internal Control Complaints. The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (r) Employee Complaints. The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

4. Authority

- (a) *Auditor.* The Auditors, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) To Retain Independent Advisors. The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

5. Reporting

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.