CRITICAL ELEMENTS CORPORATION

(the "**Corporation**")

INFORMATION CIRCULAR

(Containing information as at May 13, 2015, unless indicated otherwise)

SOLICITATION OF PROXIES

The management of the Corporation solicits proxies to be used at the annual meeting of shareholders (the "Meeting") to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this information circular (the "Circular") that it is sending to all the security holders entitled to receive a Notice of Meeting.

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy following the instructions therein.

QUORUM FOR THE TRANSACTION OF BUSINESS

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

APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES

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

A shareholder may revoke a proxy at any time by 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.

ADVICE TO NON REGISTERED SHAREHOLDERS

The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their 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 shares will be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, not be registered in the shareholder's name. Such 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 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). 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 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 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 shares to be represented at the Meeting. A Beneficial Shareholder who receives a BFSI voting instruction form cannot use that form to vote shares directly at the Meeting. The voting instruction forms must be returned to BFSI (or instructions respecting the voting of shares must otherwise be communicated to BFSI) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact your broker or other intermediary for assistance.

This 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 common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common 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 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 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.

EXERCISE OF DISCRETION BY PROXIES

The management undertakes to respect the holder's instructions.

In the absence of any indication by the mandator, 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. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons or companies in any matter to be acted upon other than the election of directors:

(a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;

(b) each proposed nominee for election as a director of the Corporation; and

(c) each associate or affiliate of any of the foregoing.

AUTHORIZED CAPITAL STOCK, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. Each common share of the Corporation confers upon its holder the right to one vote. As at May 13, 2015, there were 123,124,372 common shares of the Corporation issued and outstanding.

The board of directors of the Corporation (the "**Board**") fixed the close of business on May 13, 2015, as the record date (the "**Record Date**") for determining which shareholders shall be entitled to receive notice of the Meeting and to vote in person or by proxy at the Meeting or any adjournment thereof. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten (10) days after the Record Date, an alphabetical list of the shareholders entitled to vote as of the record date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation and at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, common shares carrying more than 10% of the voting rights attached to all outstanding common shares of the Corporation as at the date hereof.

MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The Corporation's annual financial statements for the financial year ended August 31, 2014 and the auditors' report thereon will be presented at the Meeting but will not be subject to a vote.

ELECTION OF DIRECTORS

The By-laws of the Corporation provide that the members of the Board are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed. The mandates of Jean-Sébastien Lavallée, Jean-François Meilleur, Richard Saint-Jean, Marc Simpson, Jean-Raymond Lavallée and Matthew Lauriston Starnes expire at the Meeting of June 18, 2015.

Management does not contemplate that any of the nominees will be unable to serve on the Board but, if this should occur for any reason prior to the Meeting, the person named in the enclosed form of proxy reserves

the right to vote for another nominee at his discretion unless the shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.

Set out below in tabular form, are the names of all individuals proposed to be nominated by the management of the Corporation as directors together with related information:

Name	Director since	Office held	Number of shares controlled	Present occupation
Jean-Sébastien Lavallée Blainville, Quebec	October 29, 2009	President, CEO and Director	6,370,000	President and Chief Executive Officer of the Corporation, Vice-president of Consul-Teck Exploration Inc. and Chief Executive Officer of Canada Strategic Metals
Jean-François Meilleur[(1)] St-Lambert, Quebec	March 9, 2012	Director	2,047,000	President of Paradox Public Relations
Richard Saint-Jean[(1)] Chibougamau, Quebec	March 21, 2013	Director	-	General Manager for BlackRock Metals Inc.
Marc Simpson[(1)] Coquitlam, British Columbia	March 21, 2013	Director	20,000	President and Chief Executive Officer of Uracan Resources
Jean-Raymond Lavallée Blainville, Quebec	March 21, 2013	Director	5,615,000[(2)]	President of Consul-Teck Exploration Inc.
Matthew Lauriston Starnes Kamakura (Japon)	August 7, 2015	Director	-	Legal counsel for Sumitomo Corporation's Mineral Resources Division in Tokyo, Japan

(1) Member of the Audit Committee.

(2) Of the 5,615,000 common shares held by Jean-Raymond Lavallée, 310,000 are held by a private company that he controls.

Each nominee has supplied the information concerning the number of common shares over which he exercises control or direction.

All of the nominees whose names are hereinabove mentioned, with the exception of Matthew Lauriston Starnes has previously been elected directors of the Corporation at a shareholders' meeting for which an information circular was issued.

Matthew Lauriston Starnes

Mr. Lauriston Starnes is a lawyer with over 17 years of experience and the capacity to work in all areas of law, including civil law, common law, contract negotiation and drafting, arbitration, taxes and permits and government relations. Mr. Starnes is currently legal counsel for Sumitomo Corporation's Mineral Resources Division in Tokyo, Japan. Prior to joining Sumitomo, he also was the General Counsel and Deputy CEO for the Ambatovy project. Mr. Starnes has also practiced as a corporate lawyer with major law firms in Montreal.

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 the subject of a cease trade, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which, in all cases, was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or

(ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer, or chief financial officer of such company; or

(b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or

(c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

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

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

You can vote for the election of all the candidates described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote IN FAVOUR of the election of each of the candidates described above as director of the Corporation.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

Interpretation

"Named executive officer" ("NEO") means:

(a) a Chief Executive Officer ("**CEO**");

(b) a Chief Financial Officer ("**CFO**");

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals 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 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 Corporation, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Jean-Sébastien Lavallée, President and Chief Executive Officer, and Nathalie Laurin, Chief Financial Officer.

Compensation Program Objectives

In light of the Corporation's current stage of development, it does not have a formal compensation program. The Board meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation's compensation is to: (i) align management's interests with the long-term interests of shareholders; and (ii) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings.

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 Corporation's shareholders;
- align executive compensation with corporate performance; and

The Board also relies on the experience of its members as officers and directors with other junior mining exploration companies in assessing compensation levels.

Elements of Compensation Program

The executive compensation program consists of a combination of base salary and stock option incentives.

Purpose of Each Element of the Executive Compensation Program

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

Stock options are generally awarded to NEOs on an annual basis. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term.

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

Intervention of the Board of Directors

Compensation of the NEOs of the Corporation, other than the CEO, is reviewed annually by the CEO, who makes recommendations to the Board. The Board reviews the recommendations of the CEO and approves the compensation of the NEOs based on the recommendations of the CEO. Compensation for the CEO is reviewed annually by the Board.

Base Salary

The base salary review of each NEO takes into consideration the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings. Base salary is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base salary amounts.

Stock Options

The Corporation has established a formal plan (the "**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 Plan, determines the number of options granted to such individuals, determines the date

on which each option is granted and the corresponding exercise price. For further information regarding the Plan refer to "Securities Authorized for Issuance Under Equity Compensation Plans".

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the TSX Venture Exchange (the "**Exchange**").

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 of each NEO, combined with the granting of stock options, has been designed to provide total compensation which the Board believes is competitive.

External Compensation Consultants

During the fiscal years ended August 31, 2014 and 2013, the Corporation did not retain the services of an executive compensation consultant to assist the Board in determining the compensation for any of the Corporation's NEOs.

Compensation Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. The Corporation has not adopted a policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Corporation's securities granted as compensation or held, directly or indirectly, by directors or officers. The Corporation is not, however, aware of any directors or officers having entered into this type of transaction.

A - COMPENSATION OF EXECUTIVE OFFICERS

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation and its subsidiaries for services in all capacities to the Corporation during the three (3) most recently completed financial year:

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Jean-Sébastien Lavallée President and CEO	2014	-	-	-	-	-	-	378,419[2]	378,419
	2013	-	-	55,117	-	-	-	375,641[2]	430,758
	2012	-	-	-	-	-	-	674,601[2]	674,601
Nathalie Laurin CFO	2014	-	-	-	-	-	-	30,719[3]	30,719
	2013	-	-	22,047	-	-	-	34,635[3]	56,682
	2012	-	-	-	-	-	-	41,954[3]	51,954

(1) The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: weighted average risk free interest rate: 1.38% in 2013; weighted average expected volatility: 89.31% in 2013; weighted average expected life: 3.1 years in 2013; and weighted average expected dividend yield: 0% in 2013.

(2) This total amount of $378,419 ($375,641 in 2013 and $674,604 in 2012) paid to Consul-Teck Exploration minière inc., a private company of which Jean-Sébastien Lavallée owns 49% of the shares represents $213,121 (Nil in 2013 and 2012) in professional fees, $48,840 ($40,474 in 2013 and $330,847 in 2012) for exploration and evaluation expenditures, $1,801 (Nil in 2013 and 2012) in equipment and $114,657 ($335,167 in 2013 and $343,754 in 2012) in administrative expenses.

(3) This amount represents, $26,863 in 2014 is for professional fees ($29,367 in 2013 and $41,626 in 2012) and $2,856 is for corporate expenses ($5,268 in 2013 and $10,328 in 2012).

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

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

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[(1)] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Jean-Sébastien Lavallée	500,000	0.15	August 5, 2018	95,000	-	-	-
	600,000	0.30	March 18, 2016	24,000	-	-	-
	300,000	0.15	October 29, 2014	-	-	-	-
	200,000	0.40	March 1, 2015	57,000	-	-	-
Nathalie Laurin	200,000	0.15	August 5, 2018	38,000	-	-	-
	300,000	0.30	March 18, 2016	12,000	-	-	-
	200,000	0.40	March 1, 2015	-	-	-	-

(1) Based on closing price of the common shares of the Corporation on August 29, 2014 ($0.34).

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

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

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Jean-Sébastien Lavallée	-	-	-
Nathalie Laurin	-	-	-

Pension Plan Benefits

The Corporation does not have a Defined Benefits Pension Plan nor a Defined Contribution Pension Plan.

Termination and Change of Control Benefits

There is no compensation plan or mechanism with respect to an NEO that may be triggered following his resignation, retirement or other termination of employment with the Corporation or following a change of control of the Corporation or a change in his functions pursuant to a change of control.

B - DIRECTOR COMPENSATION

Director Compensation Table

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

Name	Fees earned ($)	Share-based awards ($)	Option-based awards[1] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Jean-François Meilleur	-	-	-	-	-	84,000[2]	-
Richard Saint-Jean	-	-	-	-	-	-	-
Marc Simpson	-	-	-	-	-	-	-
Jean-Raymond Lavallée	-	-	-	-	-	378,419 [3]	-
Matthew Lauriston Starnes	-	-	43,638	-	-	-	43,638

(1) The fair value of each option granted is estimated at the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions: weighted average risk free interest rate: 1.25%; weighted average expected volatility: 69.83%; weighted average expected life: 2.8 years; and weighted average expected dividend yield: 0%.

(2) This amount represents the investor relations fees paid to Paradox Investor Relations, a company of which Jean-François Meilleur is the president and co-owner.

(3) This amount is the same as the one discussed and disclosed in Note 2 on page 8.

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

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

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[1] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of share-based awards that have not vested ($)
Jean-François Meilleur	350,000 500,000	0.15 0.15	January 19, 2017 August 5, 2018	66,500 95,000	-	-	-
Richard Saint-Jean	200,000	0.15	August 5, 2018	38,000	-	-	-
Marc Simpson	200,000	0.15	August 5, 2018	38,000	-	-	-
Jean-Raymond Lavallée	250,000 200,000	0.30 0.15	March 18, 2016 August 5, 2018	10,000 38,000	-	-	-
Matthew Lauriston Starnes	200,000	0.275	August 7, 2019	13,000	-	-	-

(1) Based on the closing price of the common shares of the Corporation on August 29, 2014 ($0.34).

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

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

Name	Option-based awards – Value vested during the year ($)	Share-based awards – Value vested during the year ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Jean-François Meilleur	-	-	-
Richard Saint-Jean	-	-	-
Marc Simpson	-	-	-
Jean-Raymond Lavallée	-	-	-
Matthew Lauriston Starnes	-	-	-

AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at August 31, 2014, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	7,105,000	$0.22	4,871,437
Equity compensation plans not approved by security holders	-	-	-

TERMS AND CONDITIONS OF THE STOCK OPTION PLAN

Pursuant to the Plan, the Board may, from time to time and at its discretion, grant to directors, officers, employees or consultants of the Corporation (the "**Grantee**") options to acquire common shares of the Corporation for a maximum of 11,976,437 common shares of the Corporation.

Pursuant to the Plan, the number of common shares reserved for issuance to a Grantee shall not exceed, in any twelve (12) months, 5% of the issued and outstanding common shares at the time of grant. In the case of a consultant, that number will not exceed, in any 12 month period, 2% of the issued and outstanding common shares. As for persons involved in investor relations activities, the number of common shares reserved for issuance shall not exceed, individually or collectively, in any 12 month period, 2% of the issued and outstanding common shares.

The Plan provides that the terms of the option and the option price shall be fixed by the directors. The exercise price shall not be less than the closing price of the common shares of the Corporation on the Exchange on the trading day immediately preceding the date of grant. In the event that there were no transactions, the exercise price shall be determined by the average between the closing "bid" and the closing "ask" price on the trading day immediately preceding the date of grant. Stock options granted under the Plan expire, if not previously exercised, by the tenth (10) anniversary of their grant date, and the exercise price must be paid in full upon exercise of the option. Options granted under the Plan are non-assignable.

Options granted to a director or officer expires as follows:

Term of office with to the Company	Revised Expiry Date
From 0 to 3 months	Effective date of termination
More than 3 months to 1 year	1 month following effective date of termination
More than 1 year to 3 years	3 months following effective date of termination
More than 3 years	12 months following effective date of termination

In the case of a consultant, the expiry date shall be the earliest of:

- The expiry date of the option;
- 30 days following the effective date of termination if the Consultant has been providing services to the Company for less than 2 years;
- 90 days following the effective date of termination if the Consultant has been providing services to the Company for 2 years or more.

Options granted to individuals providing investor relations services expire on the earlier of 30 days after the date on which the grantee ceases to be eligible under the plan and the option expiry date.

CORPORATE GOVERNANCE PRACTICES

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

Board of directors

Independent directors

The independent directors of the Corporation are Richard Saint-Jean, Marc Simpson, Jean-Raymond Lavallée and Matthew Lauriston Starnes.

1. Non Independent directors

Jean-Sébastien Lavallée is a non-independent director of the Corporation in light of his position as President and CEO and his involvement in the day-to-day operations of the Corporation. Jean-François Meilleur is a non-independent director of the Corporation in light of his position as Vice-President of the Corporation.

Directorships

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of director	Issuer
Jean-Sébastien Lavallée	Canada Strategic Metals Inc.
Marc Simpson	Ravencrest Resources

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

In light of the Corporation's stage of development and its limited number of employees, the Board has not taken formal steps to encourage and promote a culture of ethical business conduct.

Nomination of Directors

The Board does not have a nominating committee. The current size and composition of the Board allows the entire Board to take the responsibility for finding and nominating new directors, taking into

consideration the competencies, skills, experiences, and ability to devote the required time.

Other Board Committees

There are currently no committees other than the Audit Committee.

Assessments

To date, no formal evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board. This task is the responsibility of the Board who punctually reviews its operation as well as its directors' role, and its members are encouraged to give feedback regarding the effectiveness of the Board as a whole, its practices and individual directors will, when necessary, make recommendations to the Board.

AUDIT COMMITTEE

Charter and Composition of the Audit Committee

The text of the Audit Committee's charter is attached hereto as Schedule "A". The members of the audit committee of the Corporation are Jean-François Meilleur, Richard Saint-Jean and Marc Simpson. All such members are financially literate and independent members of the Audit Committee, with the exception of Jean-François Meilleur who is a non-independent member of the Audit Committee, as such terms are defined in *Multilateral Instrument 52-110 Audit Committees* ("**MI 52-110**").

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below:

Jean-François Meilleur is presently President and co-owner of Paradox Public Relations. His many accomplishments include playing a key role in raising funds for many projects. Mr. Meilleur holds a Bachelor's Degree from the HEC business school (Hautes Études Commerciales) in Montreal, with a specialization in marketing and finance. Mr. Meilleur previously worked as a trader at Swiftrade, and has extensive knowledge of the financial markets.

Richard Saint-Jean is a metallurgist technician with over 26 years of mining experience. He is currently the General Manager for BlackRock Metals Inc., a private iron ore mining company. Previously, he was Mill Manager for the Troilus open pit gold/copper mine in Chibougamau, where he worked for over 14 years.

Marc Simpson is President and Chief Executive Officer of Uracan Resources. Mr. Simpson has worked in the mining and exploration industry for over 24 years. He has worked for Junior, Mid-tier and Senior mining companies on projects both in Canada and worldwide, including Bema Gold (sold to Kinross for CDN$3.5 billion in 2007), B2Gold, and Echo Bay Mines.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended August 31, 2014, was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's financial year ended August 31, 2013, has the Corporation relied on the exemption provided under section 2.4 of MI 52-110 (*De minimis Non-audit*

Services) or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110 (*Exemptions*).

However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of MI 52-110 given that it is a venture issuer as defined in MI 52-110.

Pre-Approval Policies and Procedures

The audit committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee's charter attached hereto as Schedule "A".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees [1]	Audit-Related Fees	Tax Fees [2]	All Other Fees
August 31, 2014	$34,000	-	$3,500	-
August 31, 2013	$39,100	-	$3,500	-

(1) These fees relate to services consisting of audit of the financial statements.
(2) These fees relate to income taxes report.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the fiscal year ended August 31, 2014, and as at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of a director, executive officer or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS

KPMG LLP Chartered Accountants of Montreal, are the auditors of the Corporation since February 14, 2013. The Board proposes the reappointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation for the financial year ending August 31, 2015. Furthermore, for practical reasons, it is timely at the Meeting to authorize the Board to fix the remuneration of the auditors.

The persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of KPMG LLP as auditors and that the Board be authorized to fix the auditors remuneration, unless the shareholder specifies in his form of proxy his wish to withhold from voting.

OTHER MATTERS

Management knows of no other matter to come before the Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgement.

ADDITIONAL INFORMATION

Additional financial information is provided in the comparative financial statements of the Corporation, in the Management's discussion and analysis of the financial condition and in the Management's report in the statement of operations for the financial year ended August 31, 2014. Copies of this circular and the documents mentioned hereinabove are available on the Corporation's website (www.cecorp.ca) as well as on SEDAR (www.sedar.com).

Additional copies are also available by contacting the Corporation at its administrative office:

1080, Côte du Beaver Hall, Suite 2101
Montréal, Québec, H2Z 1S6
Telephone: 514-904-1496 / Facsimile: 514-904-1597
Email: nlaurin@cecorp.ca

The Corporation may request the payment of reasonable fees if the requesting party is not a shareholder of the Corporation.

APPROVAL OF INFORMATION CIRCULAR

The contents and the sending of the Circular have been approved by the directors of the Corporation.

Montreal, May 13, 2015

By order of the Board of directors

(s) Jean-Sébastien Lavallée
Jean-Sébastien Lavallée, President and Chief Executive Officer

SCHEDULE A

CRITICAL ELEMENTS CORPORATION

AUDIT COMMITTEE CHARTER

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

1. MANDATE AND OBJECTIVES

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

The objectives of the Committee are to:

(i) serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements;

(ii) ensure the independence of the Corporation's external auditors; and

(iii) provide better communication among the Corporation's auditors, the management and the Board.

2. COMPOSITION

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

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

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

The members of the Committee shall be elected by the Board at its first meeting following each annual shareholder's 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

The Committee shall meet at least four (4) times a year or more frequently if required.

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.

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:

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;

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.

External Auditors

a) recommend to the Board the selection and, where applicable, the replacement of the external auditors to be nominated annually as well the compensation of such external auditors;

b) oversee the work and review annually the performance and independence of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;

c) on an annual basis, review and discuss with the external auditors all significant relationships they may have with the Corporation that may impact their objectivity and independence;

d) consult with the external auditors about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;

e) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;

f) review the audit plan for the year-end financial statements and intended template for such statements;

g) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, as well as any non-audit services provided by the external auditors to the Corporation or its subsidiary entities. The pre-approval requirement is satisfied with respect to the provision of non-audit services if:

   i) the aggregate amount of all such non-audit services provided to the Corporation constitutes no more than 5% of the total amount of fees paid by the Corporation and its subsidiary entities to its external auditors during the fiscal year in which the non-audit services are provided;

   ii) such services were not recognized by the Corporation or its subsidiary entities as non-audited services at the time of the engagement; and

   iii) such services are promptly brought to the attention of the Committee by the Corporation and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

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

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.