ELCORA ADVANCED MATERIALS CORP.

Annual General Meeting
to be held on October 20, 2016

Notice of Annual General Meeting
and
Information Circular

September 19, 2016

ELCORA ADVANCED MATERIALS CORP.

111 AHMADI CRESCENT
BEDFORD, NOVA SCOTIA
B4A 4E5, CANADA

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the "**Meeting**") of the shareholders of Elcora Advanced Materials Corp. (the "**Corporation**") will be held at 275 Rocky Lake Drive, Suite 12, Bedford, Nova Scotia, B4A 2T3 on Thursday, October 20, 2016 at 10:00 a.m. (Halifax time). At the Meeting, the shareholders will receive the financial statements for the year ended March 31, 2016, together with the auditor's report thereon, and consider resolutions to:

1. elect directors for the ensuing year;

2. appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditor of the Corporation for the ensuing year;

3. authorize the directors to determine the remuneration to be paid to the auditor;

4. confirm the Corporation's stock option plan, as required annually by the policies of the TSX Venture Exchange; and

5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the "**Board**") requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. ("**Computershare**"). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 10:00 a.m. (Halifax, Nova Scotia time) on October 18, 2016 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on September 15, 2016 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Halifax, Nova Scotia, the 19th day of September, 2016.

ON BEHALF OF THE BOARD

"Troy Grant"

Troy Grant
President and Chief Executive Officer

ELCORA ADVANCED MATERIALS CORP.

111 AHMADI CRESCENT
BEDFORD, NOVA SCOTIA
B4A 4E5, CANADA

INFORMATION CIRCULAR

(as at September 19, 2016 except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the "**Circular**") is provided in connection with the solicitation of proxies by the Management of Elcora Advanced Materials Corp. (the "**Corporation**"). The form of proxy which accompanies this Circular (the "**Proxy**") is for use at the annual general meeting of the shareholders of the Corporation to be held on Thursday, October 20, 2016 (the "**Meeting**"), at the time and place set out in the accompanying notice of Meeting (the "**Notice of Meeting**"). The Corporation will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Corporation**. A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person's name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. ("**Computershare**") by 10:00 a.m. (local time in Halifax, Nova Scotia) on October 18, 2016 or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

(a) signing a proxy with a later date and delivering it at the time and place noted above;

(b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare , at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or

(c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the

auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Corporation (the "Management") knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder's name. Such common 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). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld 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.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder 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 common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument 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 for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form ("**VIF**"), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). 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 VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided 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 ("**OBOs**") and those who do not object to their identity being made known to the issuers of the securities which they own ("**NOBOs**"). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. 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.

The Corporation has distributed copies of the Notice of Meeting, Circular and VIF to intermediaries for distribution to NOBOs. Unless you have waived your right to receive the Notice of Meeting, Circular and VIF, intermediaries are required to deliver them to you as a NOBO of the Corporation and to seek your instructions on how to vote your common shares.

The Corporation's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above. The Corporation does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO's intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

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 broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Corporation or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Corporation or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Corporation or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 10:00 a.m. (Halifax time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Corporation as set forth on the list of registered shareholders of the Corporation as maintained by the registrar and transfer agent of the Corporation, Computershare, unless specifically stated otherwise.

Financial Statements

The audited financial statements of the Corporation for the year ended March 31, 2016, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Corporation's authorized capital consists of an unlimited number of common shares of which 72,344,217 common shares are issued and outstanding. All common shares in the capital of the Corporation carry the right to one vote.

Shareholders registered as at September 15, 2016, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Corporation, as of the date of this Circular, no person beneficially owns, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Corporation.

ELECTION OF DIRECTORS

The directors of the Corporation are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Corporation proposes to nominate the persons listed below for election as directors of the Corporation to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Corporation, their occupations, the length of time they have served as directors of the Corporation, and the number of shares of the Corporation which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Corporation	**Principal occupation during the past five years**	**Served as director of the Corporation since**	**Number of common shares of the Corporation beneficially owned, directly or indirectly, or controlled or directed at present[(1)]**
Troy Grant[(2)] Nova Scotia Canada *CEO, President and a Director*	Director since June 2011 Businessman	June 2011	3,428,571
Johannes (Theo) van der Linde[(2)] British Columbia, Canada *CFO and Director*	Chartered accountant, executive	October 2012	315,476
Denis Choquette[(2)] Quebec, Canada *Director*	President, GTR Capital	April 28, 2015	6,258,228[(3)]

Notes:
(1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
(2) A member of the audit committee.
(3) Includes shares held by Mr. Choquette's immediate family members and affiliated entities.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

No director or proposed director of the Corporation is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Corporation, that while that person was acting in that capacity:

(a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or

(b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

(c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Individual Bankruptcies

No director or proposed director of the Corporation has, within the ten years prior to the date of this Circular, become bankrupt or 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 the assets of that individual.

Penalties or Sanctions

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a 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 security holder making a decision about whether to vote for the proposed director.

EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended March 31, 2016, the Corporation had two Named Executive Officers ("**NEOs**") being, Troy Grant, the President and Chief Executive Officer ("**CEO**"), and Theo van der Linde, the Chief Financial Officer ("**CFO**") of the Corporation.

"Named Executive Officer" means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, 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; and (d) each individual who would be a NEO under (c) above 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.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

The Board of Directors (the "**Board**") compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, a NEO's compensation is comprised of contractor payments and stock option grants.

The objectives and reasons for this system of compensation are generally to allow the Corporation to remain competitive compared to its peers in attracting and retaining experienced personnel. All salaries and/or consulting fees are to be set on a basis of a review and comparison of compensation paid to executives at similar companies.

The Board has not proceeded to a formal evaluation of the implications of the risks associated with the Corporation's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation programme, and the Board does not believe that the Corporation's compensation programme results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Corporation.

The Corporation's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Corporation does not grant share-based awards. The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Corporation, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Corporation's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Corporation in compensating, attracting, retaining and motivating the officers, directors and employees of the Corporation and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Corporation's three most recently completed financial years to the Corporation's NEOs.

Summary Compensation Table

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards[3] ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annul Incentive plans	Long-term incentive plans			
Troy Grant	2016	250,000[1]	Nil	257,502	Nil	Nil	Nil	Nil	507,502
President	2015	175,000[1]	Nil	Nil	Nil	Nil	Nil	Nil	175,000
and CEO	2014	150,000[1]	Nil	Nil	Nil	Nil	Nil	Nil	150,000
Theo van der Linde	2016	90,000[2]	Nil	154,211	Nil	Nil	Nil	Nil	224,211
	2015	90,000[2]	Nil	Nil	Nil	Nil	Nil	Nil	90,000
CFO	2014	75,000[2]	Nil	Nil	Nil	Nil	Nil	Nil	75,000

Notes:

(1) Represents consulting fees paid to 3063625 NS Ltd., a company wholly owned by Mr. Grant and includes $77,287 in accrued but unpaid fees.

(2) Represents consulting fees paid to Executive Management Solutions Ltd., a company wholly owned by Mr. van der Linde and includes $17,000 in accrued but unpaid fees.

(3) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	2016
Risk-free interest rate:	0.89%
Expected dividend yield:	-
Expected volatility:	154%
Expected life of option:	Five years

The Corporation has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Corporation's financial statements.

Narrative Discussion

The Corporation entered into an employment agreement with Troy Grant effective April 1, 2013, as amended ,(the "**Grant Agreement**") with regards to his employment as the President and Chief Executive Officer of the Corporation. The agreement is for an indefinite term, unless earlier terminated, and is reviewed and approved annually by the Board. Pursuant to the Grant Agreement, the Corporation has agreed to pay Mr. Grant an annual salary of $250,000 and Mr. Grant is eligible to receive an annual bonus and /or such other monetary incentive programs as may be established by the Corporation from time to time and at the discretion of the Board.

The Corporation entered into an employment agreement with Theo van der Linde effective April 1, 2013 (the "**van der Linde Agreement**") with regards to his employment as the Chief Financial Officer and Secretary of the Corporation. The agreement is for an indefinite term, unless earlier terminated, and is reviewed and approved annually by the Board. Pursuant to the van der Linde Agreement, the Corporation has agreed to pay Mr. van der Linde an annual salary of $90,000 and Mr. van der Linde is eligible to receive an annual bonus and /or such other monetary incentive programs as may be established by the Corporation from time to time and at the discretion of the Board.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Corporation does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Corporation at the end of the most recently completed financial year:

Outstanding Share -Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)[(1)]**	**Option expiration date**	**Value of unexercised in-the-money options ($)[(1)]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Troy Grant *CEO*	425,000 725,000 940,000	0.10 0.10 0.21	May 16, 2022 April 28, 2020 December 1, 2020	204,000 348,000 347,800	N/A	N/A
Theo van der Linde *CFO*	75,000 295,000 640,000	0.19 0.10 0.21	July 12, 2022 April 28, 2020 December 1, 2020	29,250 141,600 236,800	N/A	N/A

Note:

(1) "In-the-Money Options" means the excess of the market value of the Corporation's shares on March 31, 2016 over the exercise price of the options. The market price for the Corporation's common shares on March 31, 2016 was $0.58.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

Value Vested or Earned for Incentive Plan Awards 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 ($)**
Troy Grant *CEO*	Nil	N/A	Nil
Theo van der Linde *CFO*	Nil	N/A	Nil

Narrative Discussion

The following information is intended as a brief description of the Corporation's stock option plan (the "**Stock Option Plan**") and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

The Stock Option Plan has been prepared by the Corporation in accordance with the policies of the TSX Venture Exchange (the "**Exchange**") and is in the form of a 'rolling' stock option plan reserving for issuance upon the exercise of options granted pursuant to the Stock Option Plan a maximum of 10% of the issued and outstanding shares of the Corporation at any time, less any shares required to be reserved with respect to options granted by the Corporation prior to the implementation of the Stock Option Plan. The Stock Option Plan is administered by the Board of Directors of the Corporation. Subject to the provisions of the

Stock Option Plan, the directors in their sole discretion will determine all options to be granted pursuant to the Stock Option Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The directors will comply with all Exchange and other regulatory requirements in granting options and otherwise administering the Stock Option Plan. A summary of some of the additional provisions of the Stock Option Plan are as follows:

(i) options granted to insiders of the Corporation as a total in any twelve-month period shall not exceed 10% of the issued and outstanding shares of the Corporation;

(ii) options granted to any one person as a total in any twelve-month period shall not exceed 5% of the issued and outstanding shares of the Corporation;

(iii) options granted to any one Consultant to the Corporation as a total in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Corporation;

(iv) options granted to all employees, consultants and their associates engaged in investor relations activities for the Corporation in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Corporation;

(v) options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years;

(vi) the exercise price of options granted shall not be less than the closing price of the Corporation's shares on the last trading day less any discount permitted by the Exchange, but, in any event, not less than $0.10 per share;

(vii) all options granted shall be evidenced by written option agreements; and

(viii) any amendment to reduce the exercise price of options granted to insiders of the Corporation shall be subject to approval of the disinterested shareholders of the Corporation, the majority vote of the Shareholders other than the insiders of the Corporation.

Pursuant to the policies of the Exchange, the shares underlying any options granted will be restricted from trading for a period of four months from the date of grant of the option.

PENSION BENEFITS

The Corporation does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as set out below, the Corporation has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Corporation or a change in an NEOs responsibilities.

Under the Grant Agreement, the services of Mr. Grant may be terminated without cause upon immediate payment of a lump sum equivalent to 6 months of salary if the Corporation's market capitalization is below $10,000,000 and 12 months of salary if the Corporation's market capitalization is in excess of $10,000,000. Upon a change of control, the Grant Agreement may be terminated by either the Corporation or Mr. Grant and in the event the employment contract is terminated upon a change of control and the Corporation's market capitalization is less than $10,000,000, Mr. Grant will be entitled to immediate lump sum payment of 6 months of salary. If the market capitalization is in excess of $10,000,000, Mr. Grant will be entitled to immediate lump sum payment of 12 months of salary.

DIRECTOR COMPENSATION

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Corporation or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Corporation's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Corporation's most recently completed financial year to the Corporation's directors, other than the NEOs previously disclosed:

Director Compensation Table

Name	Fees earned ($)	Share-based awards ($)	Option-based awards [4] ($)	Non-equity inventive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Denis Choquette	Nil	Nil	127,705	Nil	Nil	Nil	127,705
John Cumming[2]	Nil	Nil	31,354	Nil	Nil	Nil	31,354
Gregory Isenor [3]	Nil	Nil	15,677	Nil	Nil	Nil	15,677

Notes:

(1) Mr. Choquette was appointed as a director of the Corporation on April 28, 2015.

(2) Mr. Cumming resigned as a director of the Corporation effective July 29, 2015.

(3) Mr. Isenor did not stand for re-election at the Corporation's 2015 annual general meeting held November 19, 2015.

(4) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	2016
Risk-free interest rate:	0.89%
Expected dividend yield:	-
Expected volatility:	154%
Expected life of option:	Five years

The Corporation has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Corporation's financial statements.

Narrative Discussion

Directors are compensated through the grant of stock options, however, no stock options were granted to directors in the last fiscal year. No directors' fees are paid.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Corporation does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Corporation which are outstanding at the end of the most recently completed financial year.

Outstanding Option-Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)[(1)]**	**Option expiration date**	**Value of unexercised in-the-money options ($)[(1)]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Denis Choquette	750,000 250,000	$0.10 $0.21	April 28, 2020 December 1, 2020	360,000 92,500	N/A	N/A
John Cumming	150,000 295,000	$0.10 $0.10	May 16, 2022 April 28, 2020	72,000 141,600	N/A	N/A
Gregory Isenor	150,000 147,500	$0.10 $0.10	May 16, 2022 April 28, 2020	72,000 70,800	N/A	N/A

Note:

(1) "In-the-Money Options" means the excess of the market value of the Corporation's shares on March 31, 2016 over the exercise price of the options. The market price for the Corporation's common shares on March 31, 2016 was $0.58.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

Value Vested or Earned for Incentive Plan Awards 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 ($)
Denis Choquette	Nil	N/A	Nil
John Cumming	Nil	N/A	Nil
Gregory Isenor	Nil	N/A	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Corporation which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

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 remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	6,002,500	$0.15	932,296
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
Total	6,002,500	N/A	3,130,363

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Corporation, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Corporation since the beginning of the most recently completed financial year of the Corporation.

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

No director or executive officer of the Corporation or any proposed nominee of Management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Corporation's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Corporation or a subsidiary at any time during the Corporation's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Corporation, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Corporation.

APPOINTMENT OF AUDITOR

Auditor

Management intends to nominate PricewaterhouseCoopers LLP, Chartered Accountants, for re-appointment as auditor of the Corporation. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as the auditor of the Corporation to hold office for the ensuing year with remuneration to be fixed by the directors. PricewaterhouseCoopers LLP, Chartered Accountants was first appointed as auditor to the Corporation on June 6, 2011.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Corporation are to any substantial degree performed by a person or company other than the directors or NEOs of the Corporation.

AUDIT COMMITTEE

The Corporation is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Corporation or an affiliate of the Corporation. The Corporation's current Audit Committee consists of Troy Grant, Denis Choquette and Theo van der Linde and does not presently comply with the foregoing requirement

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Corporation's current Audit Committee consists of Troy Grant, Denis Choquette and Theo van der Linde.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Corporation's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Corporation's current Audit Committee members, Denis Choquette is "independent" within the meaning of NI 52-110. Troy Grant is not "independent" as he is also the President and CEO of the Corporation and Theo van der Linde is not "independent" as he is also the CFO of the Corporation.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

Troy Grant is a graduate of St. Francis Xavier University with a Bachelor of Business and has spent most of his working career in the brokerage business. As a result of his business and public company experience Mr. Grant has become familiar with public company financial statements and the accounting principles used in reading and preparing financial statements.

Denis Choquette has twenty-five years' experience in the high technology, industrial and finance business, including tenures at IBM, AT&T and Bombardier. Before founding GTR Capital, he was as Vice President and General Manager at Bombardier where he formed a very successful high technology finance division. As a founding partner of GTR Capital, Mr. Choquette has provided mergers and acquisitions services to its clients throughout North America, Europe and Asia. Mr. Choquette also has a leading role in strategy & business development at Fayolle Canada Inc. which is one of the fastest growing construction companies in Canada. Mr. Choquette has become very familiar with public company financial statements and the accounting principles used in reading and preparing financial statement during his 25 years' experience in said executive roles.

Theo van der Linde is a Chartered Accountant with 18 years extensive finance, administration and public accounting experience in diverse industries including mining, oil & gas, financial services, insurance, manufacturing and retail.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Audit Committee of the Corporation has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

(d) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or

(e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees paid by the Corporation and its subsidiaries to PricewaterhouseCoopers LLP, Chartered Accountants, for services rendered in the last two fiscal years:

	2016	**2015**
	($)	($)
Audit fees[(1)]	38,325	34,000
Audit related fees[(2)]	Nil	1,010
Tax fees[(3)]	1,050	1,000
All other fees[(4)]	Nil	Nil
Total	$39,375	$36,010

Notes:

(1) "Audit fees" include aggregate fees billed by the Corporation's external auditor in each of the last two fiscal years for audit fees.

(2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All other fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Corporation's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

Exemption in Section 6.1

The Corporation is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Corporation in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Corporation's approach to corporate governance is set out below.

Board of Directors

Management is nominating three individuals to the Board, all of whom are current directors of the Corporation.

The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent" directors under NI 52-110, which provides that a

director is independent if he or she has no direct or indirect "material relationship" with the Corporation. The "material relationship" is defined as a relationship which could, in the view of the Corporation's Board, reasonably interfere with the exercise of a director's independent judgement. All of the current members of the Board are considered "independent" within the meaning of NI 52-110, except for Troy Grant, who is the President and CEO of the Corporation and Theo van der Linde, who is the CFO of the Corporation.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Corporation, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Corporation and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Corporation is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and the chairperson of the Audit Committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of the Audit Committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Corporation and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Corporation and approves the senior management structure of the Corporation.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Corporation are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the Articles of the Corporation, of any director.

The mandate of the Board, as prescribed by the Canada *Business Corporations Act*, is to manage or supervise management of the business and affairs of the Corporation and to act with a view to the best interests of the Corporation. In doing so, the Board oversees the management of the Corporation's affairs directly and through its committees.

Directorships

The following director of the Corporation is also a director of other reporting issuers as stated:

- Theo van der Linde is a director of Coronet Metals Inc.

Orientation and Continuing Education

The Board's practice is to recruit for the Board only persons with extensive experience in the mining and mining exploration business and in public company matters. Prospective new board members are provided a reasonably detailed level of background information, verbal and documentary, on the Corporation's affairs and plans prior to obtaining their consent to act as a director.

The Board provides training courses to the directors as needed, to ensure that the Board is complying with current legislative and business requirements.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. In addition, the Board has adopted a Corporate Conduct and Code of Ethics Policy (the "**Code**") to be followed by the Corporation's directors, officers, employees and principal consultants and those of its subsidiaries. The Code is also to be followed, where appropriate, by the Corporation's agents and representatives, including consultants where specifically required. The purpose of the Code is to, among other things, promote honest and ethical conduct, avoid conflict of interest, protect confidential information and comply with the applicable government laws and securities rules and regulations.

Nomination of Directors

The Board identifies new candidates for board nomination by an informal process of discussion and consensus-building on the need for additional directors, the specific attributes being sought, likely prospects, and timing. Prospective directors are not approached until consensus is reached. This process takes place among the Chairman and a majority of the non-executive directors.

Assessments

The Board annually reviews its own performance and effectiveness as well as the effectiveness and performance of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of individual directors are informally monitored by other Board members, bearing to mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board monitors the adequacy of information given to directors, communication between Board and Management and the strategic direction and processes of the Board and its committees.

The Board believes its corporate governance practices are appropriate and effective for the Corporation, given its size and operations. The Corporation's corporate governance practices allow the Corporation to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

Confirming Stock Option Plan

Shareholders are being asked to confirm approval of the Stock Option Plan. There have been no changes to the Stock Option Plan since it was last approved by shareholders of the Corporation on November 19, 2015. The Stock Option Plan is subject to approval by the Exchange.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

A summary of some of the provisions of the Stock Option Plan are as follows:

(i) options granted to insiders of the Corporation as a total in any twelve-month period shall not exceed 10% of the issued and outstanding shares of the Corporation;

(ii) options granted to any one person as a total in any twelve-month period shall not exceed 5% of the issued and outstanding shares of the Corporation;

(iii) options granted to any one Consultant to the Corporation as a total in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Corporation;

(iv) options granted to all employees, consultants and their associates engaged in investor relations activities for the Corporation in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding shares of the Corporation;

(v) options granted shall be non-assignable and not transferable and shall not have a term in excess of ten years;

(vi) the exercise price of options granted shall not be less than the closing price of the Corporation's shares on the last trading day less any discount permitted by the Exchange, but, in any event, not less than $0.10 per share;

(vii) all options granted shall be evidenced by written option agreements; and

(viii) any amendment to reduce the exercise price of options granted to insiders of the Corporation shall be subject to approval of the disinterested shareholders of the Corporation, the majority vote of the Shareholders other than the insiders of the Corporation.

Pursuant to the policies of the Exchange, the shares underlying any options granted will be restricted from trading for a period of four months from the date of grant of the option.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

"**IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed.**"

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Financial information about the Corporation is provided in the Corporation's comparative annual financial statements to March 31, 2016, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Corporation's SEDAR profile at www.sedar.com. Additional financial information concerning the Corporation may be obtained by any securityholder of the Corporation free of charge by contacting the Corporation, at 111 Ahmadi Crescent, Bedford, Nova Scotia, B4A 4E5.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Corporation.

DATED at Halifax, Nova Scotia, the 19th day of September, 2016.

ON BEHALF OF THE BOARD

"Troy Grant"

Troy Grant
President and Chief Executive Officer

ELCORA ADVANCED MATERIALS CORP.

Schedule "A"
Audit Committee Charter

(SEE ATTACHED)

Charter of the Audit Committee
of the Board of Directors

Elcora Resources Corp.

An audit committee (the "Committee") of the board of directors (the "Board") of Elcora Resources Corp. (the "Corporation") has been established by resolution of the Board. It shall be composed of not less than three directors of the Corporation, all of whom are not officers or employees of the Corporation or any of its affiliates. One member of the Committee shall be appointed by the Board to be the Committee's chairman, provided that the chairman shall at all times be an independent director. All members of the Committee shall satisfy the independence and qualification requirement under Multilateral Instrument 52-110 Audit Committees and any requirement of any stock exchange on which the shares of the Corporation are listed and posted for trading.

The Committee's general responsibilities shall be to advise and assist the Board in fulfilling its financial responsibilities for the Corporation by monitoring all of the integrity of the Corporation's financial statements, financial and accounting practices, internal controls, performance of internal and external auditors, independence and qualification of external auditors, business ethics, and compliance with all laws, regulations and policies that may have an impact on the consolidated financial statements of the Corporation. The Committee shall oversee these areas for the Corporation, all of its controlled subsidiaries and affiliates, and to the extent practicable, for subsidiaries and affiliates, if any, that the Corporation does not control, if any. The Committee shall be directly responsible for the appointment, replacement, compensation and oversight of the external auditor and the external auditor shall report directly to the Committee.

Concerning the External Auditor

A. The Committee's specific responsibilities concerning the external auditor shall be to:

1. Recommend to the Board each year both the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and the compensation to be paid to the external auditor;

2. Review, evaluate and satisfy itself as to the independence, qualifications, and performance of the Corporation's external auditor including:
   a) reviewing formal written statements submitted periodically by the external auditor delineating all relationships between themselves and the Corporation;
   b) discussing with the external auditor any disclosed relationships or services that may impact their objectivity and independence;
   c) reviewing not less than once per year the external auditor's quality control procedures including any material issues raised by internal quality control, peer reviews, inquiries or investigations by governmental or professional authorities, and the steps to be taken to address such issues;
   d) reviewing and evaluating the lead partner of the external auditor; and
   e) assuring the regular rotation of the lead audit partner as may be considered either necessary or advisable.

3. Recommend to the Board the results of such evaluation of the external auditor and any action the Committee deems appropriate based on the evaluation, including considering whether, to assure continuing auditor independence, there should be a regular rotation of the audit firm itself;

4. Review and act upon reports by the external auditor including the external audit, the terms of engagement and compensation of the external auditor, and pre-approve all audit and non-audit services to be provided by the external auditor. Any such pre-approval may be delegated by the Committee to any member of the Committee;

5. Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;

6. Review and approve of the Corporation's hiring policies regarding partners, employees and former partners and employees of the Corporation's present and former external auditors.

Concerning the Corporation's Financial Matters

B. The Committee's specific responsibilities concerning the Corporation's Financial Matters shall be to:

1. Monitor and review from time to time, but not less than once annually, the Corporation's:
   a) internal financial controls and internal audit functions;
   b) appointment and/or replacement of the chief financial officer, the senior internal auditor and any key executives involved in the Corporation's financial reporting process;
   c) policies on risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures;
   d) compliance with securities laws, regulations and policies concerning the Corporation's financial statements, audits and public disclosure;
   e) compliance with tax laws, regulations and policies concerning the Corporation;
   f) expense reimbursements paid to the Chairman of the Board, the Chief executive Officer, the chief Financial Officer and such other directors or senior officers as the committee may deem appropriate; and
   g) charter for the Committee and perform an annual evaluation of the Committee's performance

all in consultation with the Corporation's senior internal auditor, the external auditor and such other advisors and the Committee may select.

2. Hold regularly scheduled meetings with management, the senior internal auditor, and the external auditor and keep minutes of all such meetings;

3. Review and discuss with management and the external auditor:
   a) the Corporation's audited financial statements, interim financial statements and "Management Discussion and Analysis" before approval by the Board or public disclosure;
   b) reports from the Corporation's internal auditor and management's response;
   c) the types of information to be disclosed and the types of presentation to b made in connection with the Corporation's earnings press releases and financial information and guidance provided to analysts and rating agencies (if any); and
   d) any proposed related party transactions involving the Corporation before approval by the Board or public disclosure.

4. Discuss with management and the external auditor any significant financial reporting, accounting and audit issues and judgments (including reports or analysis rendered by management or the external auditor in connection with the Corporation's financial statements) pertinent to the preparation of the Corporation's financial statements (including the quality of the Corporation's accounting principles, any audit problems or difficulties, any significant changes in the Corporation's selection or application of accounting principles, any off-balance sheet structures, and special audit steps adopted or taken in light of material control deficiencies, any major disputes between management and the external auditor);

5. Establish procedures for:
   a) reviewing all of the Corporation's public disclosure of audited or unaudited financial information extracted or derived from the Corporation's financial statements;
   b) receipt, retention or treatment of complaints received by the corporation regarding accounting, internal accounting controls or auditing matters, and
   c) confidential, anonymous submission by any of the Corporation's employees of concerns regarding questionable accounting or auditing matters;

   and to periodically re-assess those procedures;

Advising the Board

C. The Committee's specific responsibilities concerning advising the Board shall be to:

1. Review and consider:
   a) Major changes and questions of choice respecting appropriate accounting principles and auditing standards to be used in preparing and presenting the Corporation's financial statements; and
   b) Legal, accounting and regulatory matters (including initiatives) that may have a material impact on

the Corporation's reporting obligations, financial statements, conflicts of interest and general business ethics;

2. Review reports form the Corporation's internal or external auditors and legal counsel (either that represent or have represented the Corporation) about any credible evidence of material violations of securities laws or material breach of duty by the Corporation, any member of the Board or any officer, employee or agent of the Corporation; and

3. Serve as a channel of communication between the external auditor and the Board and between the senior internal auditor and the board, and report regularly to the Board on the Committee's deliberations and actions taken, and any issues that arise concerning the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, performance and independence of the external auditor, or performance of the internal auditor; and

The Committee has the irrevocable authority to obtain advice and assistance from outside legal, accounting or other such advisors and the Committee deems necessary, appropriate or advisable in its sole discretion, without notice to or approval from the Board. The Corporation shall provide adequate funding to the Committee, as determined by the Committee, for payment of compensation to any external auditor, compensation to any advisor, and ordinary administrative expenses that are necessary or appropriate for carrying out its duties.

The Committee shall fix its own time and place of meetings and shall prescribe its own rules and directors of the Corporation who are not members of the Committee shall attend meetings of the Committee only upon the written invitation of the Chair of the Committee.

Confirmation

This Charter of the Audit Committee of the Board of Directors made by resolution of the Board of Elcora Resources Corp. as at the 16th day of September, 2014.

On Behalf of the Board of Directors



Troy Grant,
Director

On Behalf of the Audit Committee



John Cumming
Director