

Notice of Annual and Special Meeting of Shareholders

Management Information Circular

Meeting Date: Thursday, September 29, 2016 at 4:00 p.m. (AST)

Halifax, Nova Scotia

August 29, 2016

OCEANUS RESOURCES CORPORATION

Suite 2108, Purdy's Wharf Tower II, 1969 Upper Water Street, Halifax, Nova Scotia

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT:

The annual and special meeting ("**Meeting**") of the shareholders ("**Shareholders**") of OCEANUS RESOURCES CORPORATION ("**Corporation**") will be held at the Delta Halifax, 1990 Barrington Street, Halifax, Nova Scotia, B2X 1Z4 on **Thursday, September 29, 2016 at 4:00 p.m. (AST)** for the following purposes:

(a) to receive the financial statements of the Corporation for the year ended March 31, 2016, together with the report of the Auditor thereon. No vote by Shareholders with respect to the financial statements is required or proposed to be taken;

(b) to elect directors of the Corporation for the forthcoming year;

(c) to appoint the Auditor of the Corporation for the forthcoming year and to authorize the directors to fix the Auditor's remuneration;

(d) to re-approve the Corporation's incentive stock option plan;

(e) to consider and, if deemed advisable, pass an ordinary resolution by disinterested shareholders ratifying and approving the deferred share unit plan of the Corporation; and

(f) to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the management information circular ("**Circular**") accompanying and forming part of this notice of meeting.

Only Shareholders of record as of the close of business on **August 25, 2016** are entitled to receive notice of the Meeting and to vote at the Meeting.

To assure your representation at the Meeting as a **Registered Shareholder**, please complete, sign, date and return the enclosed proxy, whether or not you plan to personally attend the Meeting. Sending your proxy will not prevent you from voting in person at the Meeting. All proxies completed by Registered Shareholders must be received by the Corporation's transfer agent, **Computershare Investor Services Inc.,** not later than **Tuesday, September 27, 2016 at 4:00 p.m. (AST)**. A Registered Shareholder must return the completed proxy to Computershare Investor Services Inc., as follows:

(a) by **mail** in the enclosed envelope;

(b) by the **Internet** or **telephone** as described on the enclosed proxy; or

(c) by **registered mail**, by **hand** or by **courier** to the attention of Computershare Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

Non-Registered Shareholders whose shares are registered in the name of an intermediary should carefully follow voting instructions provided by the intermediary. A more detailed description on returning proxies by Non-Registered Shareholders can be found on page 2 of the attached Circular.

If you receive more than one proxy or voting instruction form, as the case may be, for the Meeting, it is because your shares are registered in more than one name. To ensure that all of your shares are voted you should sign and return all proxies and voting instruction forms that you receive.

DATED at Halifax, in the Halifax Regional Municipality, Nova Scotia, as of the **29th** day of **August, 2016**.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "Glenn Jessome"

President and Chief Executive Officer

OCEANUS RESOURCES CORPORATION

MANAGEMENT INFORMATION CIRCULAR

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OCEANUS RESOURCES CORPORATION

MANAGEMENT INFORMATION CIRCULAR
(as at August 29, 2016 , except as indicated)

INFORMATION REGARDING ORGANIZATION AND CONDUCT OF MEETING

THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY OR ON BEHALF OF THE MANAGEMENT OF OCEANUS RESOURCES CORPORATION ("**Corporation**") for use at the annual and special meeting of the shareholders of the Corporation ("**Shareholders**") to be held at the Delta Halifax, 1990 Barrington Street, Halifax, Nova Scotia, on **Thursday, September 29, 2016 at 4:00 p.m. (AST)** ("**Meeting**"), or at any adjournment thereof, for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**").

Solicitation of Proxies

Solicitation of proxies will be primarily by mail, but may also be by telephone or other means of communication by the directors, officers, employees or agents of the Corporation at nominal cost. All costs of solicitation will be paid by the Corporation. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to certain beneficial owners of the shares. See "Appointment and Revocation of Proxies – Notice to Beneficial Holders of Shares" below.

Internet Availability of Proxy Materials

Rules recently adopted by the Canadian securities administrators, known as the "notice and access" distribution option, allow companies to send to shareholders a notice to the effect that proxy materials are available via the Internet, rather than mailing full sets of proxy materials to them. This year, the Corporation chose to mail full sets of proxy materials to shareholders. In the future, the Corporation may take advantage of the "notice and access" distribution option. If in the future the Corporation chooses to send such notices to shareholders, the notices will contain instructions on how shareholders can gain access to the Corporation's notice of meeting and management proxy circular via the Internet. The notices will also contain instructions on how shareholders can ask that proxy materials be delivered to them electronically or in printed form on a one-time or ongoing basis.

Appointment and Revocation of Proxies

General

Shareholders of the Corporation may be "Registered Shareholders" or "Non-Registered Shareholders". If common shares of the Corporation ("**Common Shares**") are registered in the Shareholder's name, they are said to be owned by a "**Registered Shareholder**". If Common Shares are registered in the name of an intermediary and not registered in the Shareholder's name, they are said to be owned by a "**Non-Registered Shareholder**". An intermediary is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates. The instructions provided below set forth the different procedures for voting Common Shares at the Meeting to be followed by Registered Shareholders and Non-Registered Shareholders.

The persons named in the enclosed instrument appointing proxy are officers and directors of the Corporation. **Each Shareholder has the right to appoint a person or company (who need not be a Shareholder) to attend and act for him or her at the Meeting other than the persons designated in the enclosed form of proxy**. Shareholders who have given a proxy also have the right to revoke it insofar as it has not been exercised. The right to appoint an alternate proxyholder and the right to revoke a proxy may be exercised by following the procedures set out below under "*Registered Shareholders*" or "*Non-Registered Shareholders*", as applicable.

If any Shareholder receives more than one (1) proxy or voting instruction form, it is because that Shareholder's shares are registered in more than one form. In such cases, Shareholders should sign and submit all proxies or voting instruction forms received by them in accordance with the instructions provided.

Registered Shareholders

Registered Shareholders have two (2) methods by which they can vote their Common Shares at the Meeting, namely in person or by proxy. To assure representation at the Meeting, Registered Shareholders are encouraged to return the proxy included with this Circular. Sending in a proxy will not prevent a Registered Shareholder from voting in person at the Meeting. The vote will be taken and counted at the Meeting. Registered Shareholders who do not plan to attend the Meeting or who do not wish to vote in person can vote by proxy.

Proxies must be received by the Corporation's transfer agent, **Computershare Investor Services Inc.** ("**Computershare**"), not later than **Tuesday, September 27, 2016 at 4:00 p.m. (Halifax Time)**. A Registered Shareholder must return the completed proxy to Computershare Investor Services Inc., as follows:

(a) by **mail** in the enclosed envelope; or

(b) by the **Internet** or **telephone** as described on the enclosed proxy; or

(c) by **registered mail**, by **hand** or by **courier** to the attention of Computershare Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

To exercise the right to appoint a person or company to attend and act for a Registered Shareholder at the Meeting, such Shareholder must strike out the names of the persons designated on the enclosed instrument appointing a proxy and insert the name of the alternate appointee in the blank space provided for that purpose.

To exercise the right to revoke a proxy, in addition to any other manner permitted by law, a Shareholder who has given a proxy may revoke it by instrument in writing, executed by the Shareholder or his or her attorney authorized in writing, or if the Shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited: (i) at the registered office of the Corporation, Suite 2108, 1969 Upper Water Street, Halifax, Nova Scotia, at any time up to and including the last business day preceding the Meeting at which the proxy is to be used, or at any adjournment thereof, or (ii) with the chairman of the Meeting on the date of the Meeting, or at any adjournment thereof, and upon either of such deposits the proxy is revoked.

Non-Registered Shareholders

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as "**NOBOs**". Non-Registered Shareholders who have objected to their intermediary disclosing the ownership information about themselves to the Corporation are referred to as "**OBOs**".

In accordance with the requirements of NI 54-101, the Corporation is sending the Notice of Meeting, this Circular, and either the voting instructions form ("**VIF**") or the form of proxy, as applicable, (collectively, the "**Meeting Materials**") directly to the NOBOs and indirectly, through intermediaries, to the OBOs. The Corporation has not paid and does not intend to pay the fees and costs of intermediaries for their services in delivering Meeting Materials to OBOs, therefore OBOs will not receive the Meeting Materials unless the OBO's intermediary assumes the cost of delivery.

Meeting Materials Received by OBOs from Intermediaries

The Corporation has distributed copies of the Meeting Materials to intermediaries for distribution to OBOs. Intermediaries are required to deliver these materials to all OBOs of the Corporation who have not waived their rights to receive these materials, and to seek instructions as to how to vote the Common Shares. Often, intermediaries will use a service company (such as Broadridge Financial Solutions, Inc.) to forward the Meeting Materials to OBOs.

OBOs who receive Meeting Materials will typically be given the ability to provide voting instructions in one of two ways:

(a) Usually, an OBO will be given a VIF which must be completed and signed by the OBO in accordance with the instructions provided by the intermediary. In this case, the mechanisms described above for Registered Shareholders cannot be used and the instructions provided by the intermediary must be followed.

(b) Occasionally, an OBO may be given a proxy that has already been signed by the intermediary. This form of proxy is restricted to the number of Common Shares owned by the OBO but is otherwise not completed. This form of proxy does not need to be signed by the OBO but must be completed by the OBO and returned to Computershare Investor Services Inc. in the manner described above for Registered Shareholders.

The purpose of these procedures is to allow OBOs to direct the proxy voting of the Common Shares that they own but that are not registered in their name. Should an OBO who receives either a form of proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the OBO should strike out the persons named in the form of proxy as the proxy holder and insert the OBO's (or such other person's) name in the blank space provided or, in the case of a VIF, follow the instructions provided by the intermediary. **In either case, OBOs who received Meeting Materials from their intermediary should carefully follow the instructions provided by the intermediary.**

To exercise the right to revoke a proxy, an OBO who has completed a proxy (or a VIF, as applicable) should carefully follow the instructions provided by the intermediary.

Proxies returned by intermediaries as "non-votes" because the intermediary has not received instructions from the OBO with respect to the voting of certain shares or, under applicable stock exchange or other rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Common Shares represented by such "non-votes" will, however, be counted in determining whether there is a quorum.

Meeting Materials Received by NOBOs from the Corporation

As permitted under NI 54-101, the Corporation has used a NOBO list to send the Meeting Materials directly to the NOBOs whose names appear on that list. If you are a NOBO and the Corporation's transfer agent, Computershare, has sent these materials directly to you, your name and address and information about your holdings of Common Shares of the Corporation have been obtained from the intermediary holding such shares on your behalf in accordance with applicable securities regulatory requirements.

As a result, any NOBO of the Corporation can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided. Computershare will tabulate the results of the VIFs received from the Corporation's NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIF's received by Computershare.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. The intermediary holding Common Shares on your behalf has appointed you as the proxyholder of such Common Shares, and therefore you can provide your voting instructions by completing the proxy included with this Circular in the same way as a Registered Shareholder. Please refer to the information under the heading "*Registered Shareholders*" for a description of the procedure to return a proxy, your right to appoint another person or company as your proxy to attend the Meeting, and your right to revoke the proxy.

Although a Non-Registered Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker, a Non-Registered Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the

Registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

Notice-and-Access

The Corporation is not sending the Meeting Materials to Registered Shareholders or Non-Registered Shareholders using notice-and-access delivery procedures defined under NI 54-101and National Instrument 51-102, *Continuous Disclosure Obligations.*

Exercise of Proxies

Where a choice is specified, the Common Shares represented by proxy will be voted for, withheld from voting or voted against, as directed, on any poll or ballot that may be called. **Where no choice is specified, the proxy will confer discretionary authority and will be voted in favour of all matters referred to on the form of proxy. The proxy also confers discretionary authority to vote for, withhold from voting, or vote against amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters not specifically mentioned in the Notice of Meeting but which may properly come before the Meeting.**

Management has no present knowledge of any amendments or variations to matters identified in the Notice of Meeting or any business that will be presented at the Meeting other than that referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed instrument appointing proxy to vote in accordance with the recommendations of management of the Corporation.

Voting Shares

The authorized capital of the Corporation consists of an unlimited number of Common Shares, of which 118,207,773 are issued and outstanding as of the date hereof.

The board of directors of the Corporation (the "**Board**" or "**Board of Directors**") has fixed the record date for the Meeting as **August 25, 2016** (the "**Record Date**"). Only Shareholders of record as of the close of business on the Record Date will be entitled to vote at the Meeting. Shareholders entitled to vote shall have one (1) vote each on a show of hands and one (1) vote per Common Share on a poll.

Quorum

Two persons present in person or by proxy holding at least 10% of the outstanding Common Shares of the Corporation and each entitled to vote thereat shall constitute a quorum for the transaction of business at any meeting of shareholders.

Principal Shareholders

To the knowledge of the directors and executive officers of the Corporation, no one shareholder owns, directly or indirectly, or exercises control or direction over, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Corporation.

BUSINESS TO BE TRANSACTED AT THE MEETING

Financial Statements

The financial statements of the Corporation, the Auditor's report thereon and management's discussion and analysis for the fiscal year ended March 31, 2016, which were mailed to Shareholders and filed on SEDAR at www.sedar.com, will be presented to the Shareholders at the Meeting.

Election of Directors

The Articles of the Corporation provide that the size of the Board must consist of not less than one (1) director and not more than ten (10) directors. There are currently five (5) directors.

The persons named in the list that follows are all of the persons proposed to be nominated as directors of the Corporation and are, in the opinion of management, well qualified to direct the Corporation's activities for the ensuing year. They have all confirmed their willingness to continue to serve as directors, if re-elected or to serve as directors if elected. The term of office of each director elected will be until the next annual meeting of the Shareholders or until the position is otherwise vacated.

Unless the proxy specifically instructs the proxyholder to withhold such vote, Common Shares represented by the proxies hereby solicited shall be voted for the election of the nominees whose names are set forth below. Management does not contemplate that any of these proposed nominees will be unable to serve as a director of the Corporation, but if that should occur for any reason prior to the Meeting, the persons designated in the enclosed instrument appointing proxy will have the right to use their discretion in voting for a properly qualified substitute.

Name, Province and Country of Residence	Principal Occupation	Director Since	Position(s) with the Corporation	Common Shares of the Corporation Owned, Controlled or Directed[1]
Richard Gordon Nova Scotia, Canada[2][3][5]	Retired Executive	June, 2010	Director	1,880,317
Glenn Holmes, Nova Scotia, Canada[4][5]	Chartered Accountant	June, 2010	Chief Financial Officer, Secretary Treasurer and Director	1,894,757
Keith Abriel Ontario, Canada[3][4]	CFO, DHX Media Ltd.	September, 2012	Director	325.000
Kevin Lindsey Ontario, Canada[3][5]	Retired Executive	September, 2013	Director	504,000

Notes:

(1) The information as to shareholdings was provided by the directors as of August 29, 2016 .
(2) Chair of the Board.
(3) Member of the Audit Committee.
(4) Member of the Compensation Committee.
(5) Member of Corporate Governance Committee.

Mr. Richard Basil Gordon - Director - Mr. Gordon is a retired mining executive with more than 20 years industry experience having worked on exploration and development stage mineral projects internationally and in his home province of Nova Scotia. He has extensive experience with equity financings and investor relations. Mr. Gordon was previously Director of Investor Relations for Etruscan Resources Inc. where he was responsible for implementing the Corporation's promotion strategy. Mr. Gordon received a Bachelor of Commerce degree from Saint Mary's University in 1977.

Mr. Glenn A. Holmes - Chief Financial Officer, Secretary Treasurer and Director - Mr. Holmes is a mining executive with more than 25 years' experience in the financial management of exploration and mining companies. He has been extensively involved in equity financings, project debt financings, corporate acquisitions, mining feasibility studies and mine development projects. Mr. Holmes was previously Chief Financial Officer of Etruscan Resources and Vice President Finance and Secretary Treasurer of NovaGold Resources. He received a Bachelor of Commerce degree with honors from Saint Mary's University in 1988. Mr. Holmes is a member of the Institute of Chartered Accountants of Nova Scotia and the Prospectors and Developers Association of Canada.

Mr. Keith Abriel - Director – Mr. Abriel is a Chartered Accountant, a CFA Charterholder, and holds a Bachelor of Commerce (Cum Laude) from Saint Mary's University in Halifax, Nova Scotia. An experienced financial executive, Mr. Abriel is the Chief Financial Officer of DHX Media Ltd. (DHX.B-TSX and DHXM-NASDAQ). He has served as the Chief Financial Officer of a number of public and venture backed private companies, including significant mining industry experience, having served as the Chief Financial Officer of Linear Gold Corp., Stockport Exploration Inc. and Ucore Uranium Inc. and as a Director of Rhino Resources. Mr. Abriel is a Past President of the Atlantic Canada CFA Society. He also spent nine years with PricewaterhouseCoopers, LLP and worked in J.D. Irving, Limited's treasury department.

Mr. Kevin Lindsey – Director – Mr. Lindsey retired in 2014 from the federal government of Canada after a 34-year career. He was Chief Financial Officer at the Department of National Defence and Industry Canada, and held a number of other senior executive positions at Industry Canada and the Treasury Board Secretariat. Mr. Lindsey is a graduate of St. Mary's University and a CPA, CMA. He has pursued executive studies at Queen's University and the University of Western Ontario, completed the Canadian Securities Course and is a graduate of the Directors' Education Program at the Rotman School, University of Toronto. From 2009 to 2015 Mr. Lindsey served as a director of The Alterna Group, a financial services and banking company with assets exceeding $2 billion, serving as Chair of the Board and Chair of the Finance and Audit Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as noted below, none of the directors or officers of the Corporation is, or has been within the ten (10) years prior to the date hereof, a director, chief executive officer or chief financial officer of any corporation (including the Corporation) that (i) while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation, which such order was in effect for a period of more than thirty (30) consecutive days; (ii) while such person was acting in that capacity, was subject to an event that resulted, after the director or officer ceased to be a director, chief executive officer or chief financial officer, in the corporation being the subject of a cease trade or similar order or an order that denied the relevant corporation access to any exemption under securities legislation, which such order was in effect for a period of more than thirty (30) consecutive days; or (iii) while such person 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.

The British Columbia Securities Commission, as principal regulator for NSX Silver Inc., issued a Management Cease Trade Order ("MCTO") against NSX Silver Inc. dated May 2, 2016 in response to an application submitted by NSX Silver Inc. Mr. Holmes is CFO of NSX Silver Inc. The reason for the issuance of the MCTO was the late filing of the audited annual financial statements and MD&A for the year ended December 31, 2015. The MCTO was revoked on July 19, 2016.

None of the directors or officers of the Corporation has, within the ten (10) years prior to the date hereof, 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 the assets of the director or officer.

There have been no penalties or sanctions imposed against any proposed director by a court relating to securities legislation or a securities regulatory authority or any other penalties or sanctions imposed against any proposed director by a court or regulatory body that would likely be considered important to a reasonable shareholder in making a decision with respect to voting for any proposed director. There have been no settlement agreements that any proposed director has entered into with a securities regulatory authority.

Appointment of Auditor

PricewaterhouseCoopers LLP, Chartered Accountants of Halifax, Nova Scotia ("**PWC**") has been the Auditor of the Corporation since its incorporation on June 14, 2010.

The Corporation has determined to propose to the Shareholders the appointment of PWC as Auditor of the Corporation.

The Audit committee of the Corporation and the Board recommend to the Shareholders the appointment of PWC as Auditor of the Corporation. The Shareholders will be asked at the Meeting to vote for the appointment of PWC as Auditor of the Corporation to hold office until the next Annual Meeting of Shareholders, at a remuneration to be fixed by the Board.

It is intended that all proxies received will be voted in favour of the appointment of PWC as Auditor of the Corporation, unless a proxy contains instructions to withhold the same from voting. Greater than 50% of the votes of Shareholders present in person or by proxy are required to approve the appointment of PWC as Auditor of the Corporation.

Annual Approval of Incentive Stock Option Plan

Introduction

The Board of Directors and shareholders of the Corporation approved a 10% "rolling" stock option plan on June 14, 2010. The stock option plan was re-approved at the Corporation's annual and special meeting on September 29, 2015 (the "**Plan**"). The Plan is a 10% rolling plan pursuant to Policy 4.4 ("**Policy 4.4**") of the TSX Venture Exchange ("**TSX-V**"), subject to annual shareholder approval.

The Corporation is seeking re-approval of the Plan by the Shareholders in accordance with the rules and policies of the TSX-V.

The purpose of the Plan is to attract and retain employees, officers and directors and to motivate them to advance the interests of the Corporation by affording them the opportunity to acquire an equity interest in the Corporation through options granted under the Plan to purchase Common Shares. The Plan is expected to benefit the Shareholders by enabling the Corporation to attract and retain personnel of the highest caliber by offering to them an opportunity to share in any increase in the value of the Common Shares to which they have contributed. The Plan has been drafted to comply with the policies of the TSX-V.

The following information is intended as a brief description of the Plan, and is qualified in its entirety by reference to the Plan itself, which is attached to the Corporation's management information circular dated August 26, 2011, available on SEDAR at www.sedar.com under the Corporation's profile and is incorporated herein by reference. Upon request, the Corporation will promptly provide a copy of the Plan free of charge to any Shareholder. To request a copy of the Plan, Shareholders should contact the Corporation at Purdy's Wharf Tower II, Suite 2108, 1969 Upper Water Street, Halifax, Nova Scotia B3J 3R7.

The Plan

The Plan is administered by the Compensation Committee of the Board of Directors.

Eligible persons entitled to be issued stock options under the Plan are any director, officer, employee or consultant of the Corporation or any other person or entity engaged to provide ongoing services to the Corporation.

The aggregate number of Common Shares that may be reserved for issuance under the Plan shall not exceed ten percent (10%) of the issued and outstanding Common Shares of the Corporation from time to time. The number of Common Shares subject to an option to a participant shall be determined by the Board of Directors, but no participant shall be granted an option which exceeds the maximum number of shares permitted by the TSX-V or any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction.

The total number of Common Shares to be optioned under the Plan shall be subject to the following restrictions:

a) no more than five percent (5%) of the issued and outstanding Common Shares of the Corporation may be granted to any one individual in any twelve (12) month period (unless the Corporation is a Tier 1 Issuer, as defined in the policies of the TSXV, and has obtained Disinterested Shareholder Approval);

b) no more than two percent (2%) of the issued and outstanding Common Shares of the Corporation may be granted to any one Consultant in any twelve (12) month period;

c) no more than an aggregate of ten percent (10%) of the issued and outstanding Common Shares of the Corporation may be granted to Insiders of the Corporation in any twelve (12) month period; and

d) no more than an aggregate of two percent (2%) of the issued and outstanding Common Shares of the Corporation may be granted to persons employed to conduct Investor Relations Activities in any twelve (12) month period, and such options, if issued to a Consultant must vest in stages over a period of no less than twelve (12) months with no more than twenty-five (25%) of the Options vesting in any three (3) month period.

The exercise price of the Common Shares covered by each option shall be determined by the Board of Directors, provided that the exercise price shall not be less than the price permitted by the TSX-V or any stock exchange on which the Common Shares are then listed, or other regulatory body having jurisdiction.

The maximum term of an option is ten (10) years, provided that participant's options expire ninety (90) days after his ceasing to act for the Corporation, except upon the death of a participant, in which case his estate shall have twelve (12) months in which to exercise the outstanding options.

No options are transferable or assignable.

Subject to the approval of the TSX-V, the Board of Directors has the discretion to amend or terminate the Plan; provided however, no amendment shall alter the terms of any outstanding options without the consent of the optionees concerned.

Existing Stock Options

As at August 29, 2016, the Corporation had stock options outstanding under the Plan that were exercisable to acquire, in the aggregate 9,210,000 Common Shares. See "*Securities Authorized for Issuance Under Equity Compensation Plans*" for additional information with regard to the options outstanding as at March 31, 2016.

Approval of the Plan

In accordance with Policy 4.4, Shareholders will be asked to consider and, if thought advisable, approve an ordinary resolution to re-approve the Plan as the Corporation's stock option plan (the "**Incentive Stock Option Plan Resolution**"). A copy of the proposed form of the Incentive Stock Option Plan Resolution is set forth as Schedule "A" to this Circular.

The Shareholders will be asked to approve the Plan annually in accordance with the rules and policies of the TSX-V.

The directors of the Corporation believe the Plan is in the Corporation's best interest and recommend that the Shareholders re-approve the Plan. **It is intended that all proxies received will be voted in favour of approving the Option Plan Resolution, unless a proxy contains instructions to vote against the Option Plan Resolution. Greater than 50% of the votes of Shareholders present in person or by proxy are required to approve the Plan.**

Approval of the Deferred Share Unit Plan

The Board has, subject to Shareholder approval and final approval of the TSXV, adopted a deferred share unit plan (the "**DSU Plan**") for the benefit of the Corporation's employees, officers and directors and employees and officers of related entities of the Corporation (as defined in National Instrument 45-106 – *Prospectus Exemptions*) designated for the purposes of the DSU Plan (collectively, "**Participants**"). The DSU Plan has been established to

assist the Corporation in attracting and retaining talented employees, officers and directors and to promote a greater alignment of interests between Participants and Shareholders.

It is intended that the deferred share units ("**DSUs**") issued under the DSU Plan form part of the Corporation's overall compensation strategy. Since the value of DSUs increase or decrease with the price of the Corporation's Common Shares, DSUs reflect a philosophy of aligning the interests of Participants with those of the Shareholders by tying compensation to share price performance.

Summary of the DSU Plan

Set out below is a summary of the DSU Plan. A copy of the DSU Plan is attached to this Circular as Schedule "B".

Administration of Plan

The DSU Plan provides that Participants may elect to receive all or a portion of their annual compensation or bonus compensation, if any, in DSUs. The election, if it is made, must be for a minimum of 10%, or a multiple thereof, of such compensation in DSUs. The number of DSUs received is equal to the amount of compensation elected to be received in DSUs, divided by the volume-weighted average trading price of the Common Shares on the TSX-V for the 5 trading days immediately prior to the payment date ("**Market Value**"). DSUs awarded under the DSU Plan in lieu of annual or bonus compensation will vest immediately.

In addition, the Board, on the recommendation of the Compensation Committee, will have the authority to make discretionary awards of DSUs to Participants under the DSU Plan. DSUs granted pursuant to discretionary awards will vest in accordance with the vesting schedule determined by the Board, on the recommendation of the Compensation Committee. Generally, DSUs will vest equally over three years, with one-third (1/3) of the awarded DSUs vesting on each of the first, second and third anniversaries of the date of the award. All unvested DSUs will vest immediately in the case of a change of control of the Corporation. In addition, in the event of the death or termination without cause of a Participant that received DSUs, the Participant's DSUs will vest immediately. The Board may at any time shorten the vesting period of any or all DSUs.

In the event that a dividend is paid on the Common Shares while DSUs are outstanding, each Participant who has received DSUs will be allocated additional DSUs equal to the total amount of dividends paid on the number of Common Shares which is equal to the number of DSUs received by such Participant, as the case may be, divided by the Market Value of a Common Share as at the dividend payment date.

Each DSU represents the right of the Participant to receive, after his or her death, resignation, termination with or without cause or retirement, that number of Common Shares representing the DSUs then held by such Participant. If the date of the termination event occurs during a trading blackout period applicable to the Participant under the Corporation's policies, the date of the termination event will be treated as having been extended to the close of business on the 10th business day following the expiration of the blackout period. Under the DSU Plan, the Corporation is authorized to withhold any amounts required to be withheld or deducted under applicable taxation or other laws. If applicable, DSUs will cease vesting on the date of the termination event (except in the case of termination without cause or death, as described above).

Each Participant in the DSU Plan will have a DSU account to record all awards of DSUs and, if applicable, the vesting of DSUs.

Maximum Number of Shares Issued

The maximum number of Common Shares issuable under the DSU Plan is 7,500,000, representing 6.34% of the issued and outstanding Common Shares.

The DSU Plan provides that the maximum number of Common Shares issuable (as that term is defined by the TSX) pursuant to the DSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, at any time, will not exceed 20% of the total issued and outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the DSU Plan,

together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation, within any one year period, will not exceed 20% of the total issued and outstanding Common Shares.

Transferability

Neither the DSUs nor any other rights or interests under the DSU Plan may be assigned or transferred by a Participant under the DSU Plan except to a beneficiary designated pursuant to the DSU Plan or as otherwise required under applicable laws.

Amendments to the DSU Plan

The DSU Plan provides that the Board may at any time, and from time to time, and without shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or TSX requirement at the time of such amendment, including, without limitation:

(a) for the purpose of making minor or technical modifications to any of the provisions of the DSU Plan including amendments of a "clerical" or "housekeeping" in nature;

(b) to correct any ambiguity, defective provision, error or omission in the provisions of the DSU Plan;

(c) amendments to the termination provisions of the DSU Plan;

(d) amendments necessary or advisable because of any change in applicable securities laws;

(e) amendments regarding the administration of the DSU Plan;

(f) amendments necessary or advisable if a participant is resident outside of Canada; and

(g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the rules of the TSX-V;

provided, however, that:

(h) no such amendment of the DSU Plan may be made without the consent of each affected participant in the DSU Plan if such amendment would adversely affect the rights of such affected participant(s) under the DSU Plan;

(i) no amendment shall be made unless it is such that the DSU Plan continuously meets the requirements of paragraph 6801(d) of the Regulations to the *Income Tax Act* (Canada) or any successor provision thereto; and

(j) shareholder approval shall be obtained in accordance with the requirements of the TSX-V for any amendment:

a. to increase the maximum number of Common Shares that may be issued under the DSU Plan; or

b. to the amendment provision of the DSU Plan.

In the event of the suspension of the DSU Plan, no further DSUs shall be awarded or credited under the DSU Plan. Any DSUs that remain outstanding in a Participant's account at that time shall continue to be dealt with in accordance with the terms of the DSU Plan. The DSU Plan shall terminate when all Common Shares issuable pursuant to the DSU Plan have been made and all DSUs have been cancelled in all Participants' account.

Approval of the DSU Plan

The TSX-V has conditionally approved the DSU Plan, subject to approval of the Shareholders. At the Meeting, Shareholders will be asked to approve the DSU Plan Resolution substantially in the form attached as Schedule "C", adopting the DSU Plan.

It is intended that all proxies received will be voted in favour of the resolution to approve the DSU Plan, unless a proxy contains instructions to vote against the resolution. Greater than 50% of the votes cast by Shareholders present in person or by proxy is required to approve the DSU Plan, excluding the votes of Officers and Directors of the Corporation. The total number of Common Shares owned by Officers and Directors of the Corporation excluded from voting on the DSU Plan Resolution is 12,609,383.

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

None of the directors or executive officers of the Corporation, nor any associate of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities of the Corporation or otherwise, in matters to be acted upon at the Meeting other than (i) the election of directors; (ii) eligibility to receive grants of options under the Plan; (iii) the settlement of outstanding debts of the Corporation to certain directors and officers through the issuance of Common Shares; and (iv) the issuance of Common Shares in satisfaction of payment for services rendered or to be rendered to the Corporation by an executive officer of the Corporation, all as described herein.

EXECUTIVE COMPENSATION

Named Executive Officers

Applicable securities regulations with respect to issuers reporting executive compensation information in the form below require that the Corporation give details of the compensation paid to the Corporation's "named executive officers" who are defined as follows:

(a) the chief executive officer;

(b) the chief financial officer;

(c) each of the three most highly compensated executive officers, or the three mostly 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 compensation was, individually, more than $150,000 for that financial year; and

(d) any individual who would be a named executive officer 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.

During the most recently completed financial year of the Corporation, the Corporation had two named executive officers; namely, the president and chief executive officer ("**CEO**") and the chief financial officer ("**CFO**") (collectively, the "**Named Executives**").

Currency

All references to "$" or "dollars" set forth in this Circular are in Canadian dollars, except where otherwise indicated.

Objectives of the Corporation's Compensation Strategy

The general objectives of the Corporation's compensation strategy are:

(a) to compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term Shareholder value;

(b) to align management's interests with the long term interests of Shareholders;

(c) to provide a compensation package that is commensurate with other comparable mineral exploration companies to enable the Corporation to attract and retain talent; and

(d) to ensure that the total compensation package is designed in a manner that takes into account the Corporation's present stage of development and its available financial resources.

The Corporation's compensation packages have been designed to provide a blend of a non-cash stock option component and a reasonable salary and benefits component based on comparable companies in the same or similar industries as the Corporation, at similar levels of development.

Elements of Compensation

The Corporation's executive compensation program is comprised of two components: (1) base salary and (2) a stock option plan. Each element of compensation is described in more detail below.

Base Salary or Consulting Fees

The base salary or consulting fee for the Corporation's executives other than the Named Executives is determined based on industry comparables which reflect the responsibilities inherent in their respective positions as well as their experience within the industry. Individual circumstances are also taken into consideration including the individual's relevant competencies or experience and retention risk. The financial performance of the Corporation is also a factor as is the individual performance of the executives.

Non-Cash Option-Based Awards

Incentive stock options are generally awarded to executives, including the Named Executives, at the commencement of employment and periodically thereafter. At the time of commencement of employment, option-based awards generally reflect industry comparables with companies at similar levels of development. During employment, options are granted to reward Named Executives for their current performance, expected future performance and value to the Corporation, and take into account that number of options already held by the Named Executive and others.

All grants of stock options to the Named Executives are reviewed and approved by the Compensation Committee and the Board. The process is initiated by management recommending a grant of option-based awards to the Compensation Committee. The Compensation Committee reviews these recommendations and, if they are approved, recommends them to the Board. In evaluating option grants to the Named Executives, the Compensation Committee and the Board evaluate a number of factors including, but not limited to: (i) the number of options already held by such Named Executive; (ii) a fair balance between the number of options held by the Named Executive concerned and the other executives of the Corporation, in light of their responsibilities and objectives; and (iii) the value of the options as a component in the Named Executive's overall compensation package.

During the fiscal year ended March 31, 2016 the Corporation granted an aggregate of 1,560,000 stock options to the Named Executives. On June 2, 2015 the Corporation granted 185,000 stock options to the Named Executives with an exercise price of $0.21 per share and an expiry date of June 2, 2025. On December 23, 2015 the Corporation granted 1,375,000,000 stock options to the Named Executives with an exercise price of $0.17 per share and an expiry date of December 23, 2025. All stock options vested on the date of grant.

Perquisites

The Corporation provides of limited number of perquisites to its employees and executives, including to its Named Executives, which do not account for a material portion of their overall compensation. No perquisites were granted during the fiscal year ended March 31, 2016.

Compensation Committee

The Corporation has established a Compensation Committee, which is responsible for determining the compensation of the executive officers. See "*Corporate Governance – Compensation Committee*" for more information on the composition and role of the Compensation Committee. Each member of the Compensation Committee has direct experience relevant to his responsibilities in relation to executive compensation, including experience resulting from compensation committee involvement or executive experience with other companies. See "*Business to be Transacted at the Meeting – Election of Directors*" for a summary of the skills and experience of the members of the Compensation Committee.

Use of Financial Instruments

The Corporation does not have in place policies which restrict the ability of directors or Named Executives to purchase financial instruments, such as 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 a director or Named Executive. Any such purchases would be subject to applicable insider reporting requirements.

Risk Assessment

The Compensation Committee has reviewed the Corporation's compensation policies and practices and has considered whether there are any potential risks associated with those policies and practices. As a result of such review, the Compensation Committee has determined that the Corporation's compensation policies and practices do not give rise to any risks that are reasonably likely to have a material adverse effect on the Corporation. The Compensation Committee will continue to monitor the Corporation's compensation policies and practices on a regular basis to ensure that potential risks associated therewith are identified and that the appropriate steps are taken to properly manage and mitigate such risks.

Summary Compensation Table

The following table sets forth information regarding compensation paid to the Named Executives for the Corporation's three (3) most recently completed financial years in accordance with Form 51-102F6 *Statement of Executive Compensation*.

Name and principal position	Year	Salary ($)	Share-based awards ($)	Option-based awards ($)[1]	Non-equity incentive plan compensation ($)		Pension value ($)	All other compen-sation ($)	Total Compen-sation ($)
					Annual incentive plans	Long-term incentive plans			
Glenn Jessome, President & CEO [2]	2016	$ -	N/A	$142,000	N/A	N/A	N/A	$215,521	$357,521
	2015	$ -	N/A	$227,000	N/A	N/A	N/A	$177,500	$404,500
Richard Gordon, President & CEO [3]	2016	$ -	N/A	$ 24,000	N/A	N/A	N/A	N/A	$ 24,000
	2015	$ 63,463	N/A	$ 39,000	N/A	N/A	N/A	$ 40,000	$142,463
	2014	$150,000	N/A	$ 55,733	N/A	N/A	N/A	N/A	$205,733
Glenn Holmes, CFO [4]	2016	$ -	N/A	$ 37,000	N/A	N/A	N/A	$ 90,000	$127,000
	2015	$ 32,308	N/A	$ 66,000	N/A	N/A	N/A	$ 87,500	$185,808
	2014	$ 60,000	N/A	$ 36,397	N/A	N/A	N/A	N/A	$ 96,397

Notes:

(1) All options vested on the date of grant. For more information on the significant terms of these options, see "*Incentive Plan Awards – Outstanding Option-Based Awards and Share-Based Awards*" below. The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions for the three most recently completed financial years:

	2016	2015	2014
Risk-free interest rate:	1.5%	1.5%	1.5%
Expected volatility:	100%	100%	150%
Expected dividend yield:	-	-	-
Expected option life in years:	5	5	5

(2) Mr. Jessome was appointed President and Chief Executive Officer of the Corporation effective September 1, 2014. Mr. Jessome received indirect compensation from the Corporation through consulting fees paid to Aconi Financial Corp. Ltd., a company owned by Mr. Jessome, which is included in the column "All other compensation". Consulting fees are paid in the amount of $16,667 on a monthly basis. Additional information is provided in the section titled "Employment Contracts". "All other compensation" also includes an amount of $3,021 that was paid in respect of membership fees.

(3) Mr. Gordon resigned as President and Chief Executive Officer of the Corporation effective September 1, 2014.

(4) Mr. Holmes received indirect compensation from the Corporation through consulting fees paid to 3286285 Nova Scotia Limited, a company controlled by Mr. Holmes, which is included in the column "All other compensation". Consulting fees are paid in the amount of $7,500 on a monthly basis. As at March 31, 2016 consulting fees aggregating $7,500 were payable to 3286285 Nova Scotia Limited.

Incentive Plan Awards

Outstanding Option-Based Awards and Share-Based Awards

The following table presents details of all outstanding option-based awards and share-based awards to the Named Executives as at March 31, 2016. The value of unexercised in-the-money options at financial year end is the difference between the fair market value of the Common Shares on March 31, 2016, which was $0.25 per Common Share, and the exercise price of the options.

	Option-based Awards				Share-based Awards		
Name	**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 ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Glenn Jessome	200,000	$0.10	December 13, 2020	$30,000	N/A	N/A	N/A
	100,000	$0.20	May 18, 2022	$5,000	N/A	N/A	N/A
	450,000	$0.20	May 16, 2023	$22,500	N/A	N/A	N/A
	100,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	115,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	500,000	$0.40	November 3, 2024	N/A	N/A	N/A	N/A
	100,000	$0.21	June 2, 2025	$4,000	N/A	N/A	N/A
	1,000,000	$0.17	December 23, 2025	$80,000	N/A	N/A	N/A
Richard Gordon	250,000	$0.10	December 13, 2020	$37,500	N/A	N/A	N/A
	100,000	$0.20	May 18, 2022	$5,000	N/A	N/A	N/A
	150,000	$0.20	May 16, 2023	$7,500	N/A	N/A	N/A
	125,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	100,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	35,000	$0.21	June 2, 2025	$1,400	N/A	N/A	N/A
	150,000	$0.17	December 23, 2025	$12,000	N/A	N/A	N/A
Glenn Holmes	200,000	$0.10	December 13, 2020	$30,000	N/A	N/A	N/A
	75,000	$0.20	May 16, 2023	$3,750	N/A	N/A	N/A
	100,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	100,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	75,000	$0.40	November 3, 2024	N/A	N/A	N/A	N/A
	50,000	$0.21	June 2, 2025	$2,000	N/A	N/A	N/A
	225,000	$0.17	December 23, 2025	$18,000	N/A	N/A	N/A

Note:

(1) The value of unexercised in-the-money options at financial year end is the difference between the market value of the underlying Common Shares on March 31, 2016 which was $0.25 per Common Share and the exercise price of the options.

Incentive Plan Awards – Value Vested or Earned During 2016

Name	Option-Based Awards – Value Vested during 2016 ($)	Share-Based Awards – Value Vested during 2016 ($)	Non-equity Incentive Plan Compensation – Value earned during 2016 ($)
Glenn Jessome	$142,000	N/A	N/A
Richard Gordon	$24,000	N/A	N/A
Glenn Holmes	$37,000	N/A	N/A

For more information on the Plan, see "*Securities Authorized for Issuance under Equity Compensation Plans – Equity Compensation Plan Information*".

Employment Contracts

On September 1, 2014, and as amended effective January 1, 2016, the Corporation entered into a consulting agreement ("**Agreement**") with Aconi Financial Corp Ltd. ("**Aconi**"), a company owned by Glenn Jessome, pursuant to which the Corporation pays Aconi an annual fee of $200,000. Either party may terminate the Agreement at any time, without cause, upon giving at least 60 days' advance written notice to the other party.

Termination and Change of Control Benefits

Pursuant to the Agreement with Aconi, if a change of control event occurs at any time during the term of the Agreement and Aconi's engagement is terminated without cause within an 18 month period following the change of control, then Aconi is entitled to receive a lump sum payment equal to two times the annual consulting fees, such payment to be made within 30 days of the date of termination. Aconi is not entitled to this change of control payment if the Agreement is terminated for cause or Aconi terminates the Agreement. If the consulting contract with Aconi had been terminated effective March 31, 2016 as a result of a change of control event, the Corporation would have been obligated to pay Aconi a cash payment of $400,000.

Board Compensation

The following table sets forth amounts of compensation provided to members of the Board, other than Named Executives, during the financial year ended March 31, 2016:

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
David Duncan	N/A	N/A	$17,000	N/A	N/A	$66,750[(1)]	$83,750

Note:

(1) Mr. Duncan received compensation for geological consulting services provided through D.R. Duncan & Associates Ltd, a company wholly owned by Mr. Duncan. At March 31, 2016 consulting fees aggregating $6,250 were payable to D.R. Duncan & Associates Ltd.

The Corporation does not pay fees to directors for services in that role, but provides its directors with stock options pursuant to the Plan. Directors are entitled to be reimbursed for travel and other out-of-pocket expenses incurred for attendance at directors' meetings but are not compensated for travel time in connection with attendance at the board meetings.

The following table presents details of all outstanding option-based awards and share-based awards to members of the Board, other than Named Executives, as at March 31, 2016. The value of the unexercised in-the-money options

as at March 31, 2016 has been determined based on the excess of the closing price of the common shares on the TSXV as of March 31, 2016, being $0.25, over the exercise price of such options.

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price Cdn($)**	**Option expiration date**	**Value of unexercised in-the-money options Cdn($)[(1)]**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested Cdn($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
David Duncan	200,000	$0.10	December 13, 2020	$30,000	N/A	N/A	N/A
	100,000	$0.20	May 18, 2022	$5,000	N/A	N/A	N/A
	75,000	$0.20	May 16, 2023	$3,750	N/A	N/A	N/A
	100,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	125,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	25,000	$0.21	June 2, 2025	$1,000	N/A	N/A	N/A
	100,000	$0.17	December 23, 2025	$8,000	N/A	N/A	N/A
Keith Abriel	75,000	$0.20	May 16, 2023	$3,750	N/A	N/A	N/A
	50,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	50,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	25,000	$0.21	June 2, 2025	$1,000	N/A	N/A	N/A
	100,000	$0.17	December 23, 2025	$8,000	N/A	N/A	N/A
Kevin Lindsey	50,000	$0.25	October 7, 2023	N/A	N/A	N/A	N/A
	50,000	$0.43	May 30, 2024	N/A	N/A	N/A	N/A
	25,000	$0.21	June 2, 2025	$1,000	N/A	N/A	N/A
	100,000	$0.17	December 23, 2025	$8,000	N/A	N/A	N/A

Notes:
(1) The value of unexercised in-the-money options at financial year end is the difference between the market value of the underlying Common Shares on March 31, 2016, which was $0.25, and the exercise price of the options.

The following table presents details of the value vested or earned during the financial year ended March 31, 2016 in respect of all incentive plan awards to members of the Board, other than Named Executives.

Name	**Option-Based Awards – Value Vested during 2016 ($)**	**Share-Based Awards – Value Vested during 2016 ($)**	**Non-equity Incentive Plan Compensation – Value earned during 2016 ($)**
David Duncan	$17,000	N/A	N/A
Keith Abriel	$17,000	N/A	N/A
Kevin Lindsey	$17,000	N/A	N/A

For more information on the Plan, see "*Securities Authorized for Issuance under Equity Compensation Plans – Equity Compensation Plan Information*".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Plan is the sole equity compensation plan adopted by the Corporation. The following table sets out information as of March 31, 2016 with regard to outstanding options exercisable into Common Shares under the Plan.

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options ($)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in Column (a))
Plan Category	**(a)**	**(b)**	**(c)**
Stock Option Plan (as of March 31, 2016) (approved by Shareholders)	9,210,000	$0.21	102,027[(1)]
Total	9,210,000	$0.21	102,027

Notes:
(1) This number equals 10% of the total issued and outstanding Common Shares on March 31, 2016 (which was 93,120,273) less the number of Common Shares reported under Column (a) above.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has liability insurance for the directors and officers of the Corporation to insure them from claims against them for certain of their acts, errors or omissions as such as well as insurance for the Corporation to insure it against any loss arising out of any liability to indemnify a director or officer. The insurance coverage is provided pursuant to policies held by the Corporation and is in effect until January 28, 2017. The annual premium for the policies is $47,005. The insurance provides coverage of up to $25,000,000 with a $25,000 deductible applicable to the Corporation in the event it is required to indemnify a director or officer.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No current or former directors, executive officers or employees of the Corporation, or associates or affiliates of any of these persons, have been indebted to the Corporation or its subsidiaries at any time since April 1, 2014, being the beginning of the Corporation's last financial year, other than "Routine Indebtedness" as that term is defined in applicable securities legislation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, none of the directors, executive officers or principal shareholders of the Corporation, or associates or affiliates of any of these persons, had any material interest, direct or indirect, in any transaction since April 1, 2015, being the beginning of the Corporation's last financial year, or in any proposed transaction which, in either case, has materially affected or would materially affect the Corporation or its subsidiaries.

MANAGEMENT CONTRACTS

No management functions of the Corporation are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

CORPORATE GOVERNANCE

The Corporation is required to include disclosure of its corporate governance practices in this Circular in accordance with National Instrument 58-101, *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). NI 58-101 has been adopted by the securities commissions or similar regulatory authorities across Canada ("**Canadian Securities Administrators**").

The Board endorses the efforts of the Canadian Securities Administrators in continuing the evolution of good corporate governance practices. The Board is committed to adhering to the highest standards in all aspects of its activities.

The corporate governance practices described below are subject to change as the Corporation evolves. Some of its practices are representative of its junior size; however, the Corporation has undertaken to periodically monitor and refine such practices as the size and scope of its operations increase. The Board shall remain sensitive to corporate governance issues and shall continuously seek to set up the necessary measures, control mechanisms and structures to ensure an effective discharge of its responsibilities without creating additional undue overhead costs and reducing the return on shareholders' equity.

Board of Directors

The Board is currently comprised of five (5) directors, two (2) of whom are "independent" within the meaning of National Instrument 52-110, *Audit Committees* ("**NI 52-110**"). Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the corporation's board of directors, be reasonably expected to interfere with the exercise of the directors' independent judgment. In addition, certain individuals, by definition, are deemed to have a "material relationship" with the Corporation and therefore are deemed not to be independent.

Keith Abriel and Kevin Lindsey are considered independent of the Corporation. Glenn Holmes, Richard Gordon and David Duncan are not considered independent, for the following reasons:

(a) Glenn Holmes is the Chief Financial Officer and Secretary Treasurer of the Corporation;

(b) Richard Gordon, within the past three years, is a past Executive Officer of the Corporation; and

(c) David Duncan provided consulting services to the Corporation.

Directorships

The following current directors of the Corporation are presently serving as directors of other reporting issuers:

Director	Name of Other Reporting Issuer
Glenn Holmes	NSGold Corporation (TSX-V); NSX Silver Inc. (TSX-V)

Board Meetings

There were three (3) formal Board Meetings during the year ended March 31, 2016. The attendance record of each director at such meetings was as follows:

Director	Number of Meetings Attended/Number of Meetings when the Person was a Director
Richard Gordon	3/3
Glenn Holmes	3/3
David Duncan	3/3
Keith Abriel	3/3
Kevin Lindsey	3/3

In addition, certain of the decisions of the Board of Directors since April 1, 2015 were passed by way of written consent following informal discussions among the directors and management of the Corporation.

Board Mandate

The Board of Directors is responsible for the stewardship of the Corporation through the supervision of the business and management of the Corporation. This mandate is accomplished directly via meeting of the Board itself and also through the Corporation's Audit Committee.

The Board of Directors remains committed to ensuring the long-term viability and profitability of the Corporation, as well as the well-being of its employees and of the communities in which it operates. The strategic planning and business objectives developed by management are submitted to and reviewed by the full Board of Directors on an on-going basis through regular interim reports from management. The Board of Directors also works with management to identify principal risks, to select and assess senior management and to review significant operational and financial matters. The Board of Directors reviews and approves the annual audited financial statements, the annual report, the interim financial statements, management information circulars, material press releases, annual and interim management discussion and analysis, decisions as to material acquisitions and the grant of stock options. The Board of Directors does not have a written mandate.

Position Descriptions

The Board has not developed a written position description for each of the Directors of the Corporation or the CEO. Given the relatively small size of the Corporation, the Board of Directors believes that the role and responsibilities have been appropriately communicated through board meetings and in the form of communications between the Board of Directors and Glenn Jessome, the Corporation's CEO.

The Board of Directors has not developed a written position description for the Chair of the Corporation's Audit Committee. The Board believes that the roles and responsibilities of the members of the Audit Committee are appropriately delineated in the Audit Committee's charter.

Orientation and Continuing Education

Given the size of the Board of Directors, there is no formal program for the orientation and education of new members of the Board of Directors. Board meetings may also include presentations or briefings by the Corporation's management and employees to give the directors additional insight into the Corporation's business activities. In addition, the Board of Directors believes that the past and continuing experiences of each director resulting from their past experience and current positions as detailed in this Circular ensure they have the skills and knowledge necessary to serve the Corporation as a member of the Board of Directors on an ongoing basis.

Ethical Business Conduct

The Board supports ethical business practices. To date, the Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and, in particular, the restrictions placed by applicable corporate legislation on an individual Director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

In addition, the Board of Directors believes that the Corporation's size facilitates informal review of discussions with its officers and employees to promote ethical business conduct. Furthermore, the Board has established a Whistle Blower Policy, which is Addendum "A" to the Audit Committee Charter, and establishes the compliant procedure for concerns about any aspect of the Corporation's activities and operations.

Nomination of Directors

The Board has not appointed a nominating committee and does not have a formal process for identifying new candidates for Board nomination. When required, the Board will collaborate with management to identify potential candidates and to consider their appropriateness for membership on the Board.

Compensation Committee

The members of the Compensation Committee are David Duncan, Keith Abriel and Glenn Holmes, of whom Mr. Abriel is considered independent, and Messrs. Duncan and Holmes are not considered independent as a result of consulting relationships with the Corporation. The Compensation Committee is responsible to recommend to the Board the compensation levels of the Corporation's chief executive officer and the chief financial officer. The Compensation Committee also administers the Corporation's Plan, including any stock option grants to the directors

and the executive officers. In determining the compensation of the executive officers, the Compensation Committee evaluates their performance in light of the corporate goals and objectives established on an annual basis. Based upon this evaluation, the Compensation Committee makes recommendations to the Board with respect to each executive's compensation including, as appropriate, salary, bonus, incentive compensation and benefit plans. In addition, the Compensation Committee conducts an informal survey of comparable data in the mining industry, taking into account the size as well as the level of activity of the Corporation.

Audit Committee

Audit Committee Charter

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

Composition of Audit Committee & Relevant Education and Experience

The members of the Audit Committee are Keith Abriel, Kevin Lindsey and Richard Gordon. All members are financially literate within the meaning of NI 52-110. Keith Abriel and Kevin Lindsey are considered independent of the Corporation within the meaning of NI 52-110. The education and experience of each Audit Committee member is described in this Circular under the section entitled "*Election of Directors*".

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditor not been adopted by the Board.

Pre-Approval Policies and Procedures

Pursuant to NI 52-110, the Audit Committee must approve in advance all non-audit services to be provided to the Corporation by the external auditor. The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The fees charged to the Corporation by its external auditor for the fiscal years ended March 31, 2016 and March 31, 2015 are as follows:

	Fiscal Year Ended March 31, 2016	**Fiscal Year Ended March 31, 2015**
Audit Fees	$21,750	$15,750
Audit-Related Fees	N/A	N/A
Tax Fees	$1,500	N/A
All Other Fees	N/A	N/A

No Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 from the requirement that the Audit Committee pre-approve all non-audit services to be provided to the Corporation by the Corporation's external auditor, or a discretionary exemption from the requirements of NI 52-110 in whole or in part, granted under Part 8 of NI 52-110.

Other Exemptions

The Corporation is relying upon exemptions contained in Section 6.1 of NI 52-110 in connection with the following:

1. Section 6.1 of NI 52-110 exempts the Corporation from the requirement to disclose information relating to the Audit Committee in an annual information form ("**AIF**") as the Corporation, like other venture issuers, is exempt from the requirement to file an AIF under Section 6.1 of NI 51-102, *Continuous Disclosure Obligations.*

2. Section 6.1 of NI 52-110 exempts the Corporation from the requirements in Part 3 of NI 52-110 with regard to the composition of the Audit Committee, including the requirement that all members of the Committee must be independent.

Corporate Governance Committee

The members of the Corporate Governance Committee are Kevin Lindsey, Richard Gordon and Glenn Holmes. All members are financially literate within the meaning of NI 52-110. The education and experience of each Corporate Governance Committee member is described in this Circular under the section entitled "Election of Directors".

Other Board Committees

The Board does not currently have any standing committees other than the Audit Committee, the Compensation Committee and the Corporate Governance Committee.

The Board may, from time to time, create new committees or establish ad hoc committees to address special business issues.

Assessments

The responsibility for assessing directors on an ongoing basis is assumed in full by the Board and every director is entitled to bring the matter to the Board of Directors. The Board does not perform regular assessments; however, the Board believes that the size of the Corporation facilitates informal discussion and evaluation of the Board, its committees and its members.

PROPOSALS BY SHAREHOLDERS

Pursuant to the *Canada Business Corporations Act* ("**Act**"), resolutions intended to be presented by Shareholders for action at the next annual meeting must comply with the provisions of the Act and be deposited at the Corporation's head office not later than May 31, 2017 in order to be included in the management information circular relating to the next annual meeting.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in the Corporation's comparative annual financial statements and management discussion & analysis ("**MD&A**") for its most recently completed financial year. To request copies of the Corporation's financial statements and MD&A, Shareholders should contact Mr. Glenn Jessome, President and CEO, OCEANUS RESOURCES CORPORATION, Purdy’s Wharf Tower II, Suite 2108, 1969 Upper Water Street, Halifax, Nova Scotia B3J 3R7, Telephone 902-446-2000, Fax 902-446-2001. The financial statements and MD&A are also available on SEDAR at www.sedar.com.

APPROVAL OF CIRCULAR

The contents and the sending of this Circular have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS, as of the 29th day of August, 2016.

(Signed) "Glenn Jessome"

President and Chief Executive Officer

SCHEDULE "A"

SHAREHOLDERS' RESOLUTION WITH RESPECT TO INCENTIVE STOCK OPTION PLAN

Capitalized terms have the meanings ascribed thereto in the Management Information Circular of OCEANUS RESOURCES CORPORATION ("**Corporation**") dated August 29, 2016.

BE IT RESOLVED AS A RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION THAT:

1. the incentive stock option plan of the Corporation (the "**Plan**"), as approved by the shareholders of the Corporation on September 29, 2015 in the form attached to the Corporation's management information circular dated August 26, 2011, be and the same is hereby ratified and approved subject to applicable regulatory approval;

2. the form of the Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation;

3. all options outstanding under the Plan or any previous form of stock option plan shall remain valid and outstanding and be governed by the terms of the applicable previous form of stock option plan as it existed when they were granted;

4. any director or officer is hereby authorized to execute and deliver all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to the adoption of the Plan and the Board of Directors of the Corporation from time to time, be authorized to grant options in the capital stock of the Corporation pursuant to and in accordance with the provisions of the Plan so adopted; and

5. notwithstanding the approval of the shareholders of the Corporation as herein provided, the Board of Directors of the Corporation may, in its sole discretion, at any time suspend or terminate the Plan or revoke this resolution before it is acted upon, without further approval of the Shareholders of the Corporation.

SCHEDULE "B"

OCEANUS RESOURCES CORPORATION

DEFERRED SHARE UNIT PLAN

OCEANUS RESOURCES CORPORATION

Deferred Share Unit Plan

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

Section 1.01 Definitions

For purposes of this DSU Plan, unless the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:

(a) "**Account**" has the meaning assigned to it in Section 3.06;

(b) "**Act**" means the *Canada Business Corporations Act* or its successor, as amended from time to time;

(c) "**Affiliate**" has the meaning assigned by the *Securities Act* (Nova Scotia), as amended from time to time;

(d) "**Annual Compensation**" means (i) the annual base compensation payable by the Corporation or a Designated Subsidiary to an Eligible Employee or an Eligible Officer when acting as an Employee or Officer, as the case may be, or (ii) the Annual Retainer payable by the Corporation to an Eligible Director when acting as a Director;

(e) "**Annual Retainer**" means the annual retainer payable to an Eligible Director, including any additional retainer paid to the chair of the Board or a chair of a committee of the Board, in his or her capacity as chair and includes meeting fees paid to an Eligible Director;

(f) "**Associate**" has the meaning assigned by the *Securities Act* (Nova Scotia), as amended from time to time;

(g) "**Award Date**" means in respect of Deferred Share Units awarded (i) pursuant to Section 3.04 of this DSU Plan, the Purchase Date; or (ii) pursuant to Section 3.05 of this DSU Plan, on such date as the Committee determines;

(h) "**Beneficiary**" means, subject to applicable laws, an individual dependant or relation of a Participant who has been designated by the Participant, as contemplated by Section 5.02, to receive benefits payable under the DSU Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, or where the designated individual does not survive the Participant, the Participant's estate;

(i) "**Blackout Period**" means a period when a Participant is prohibited from trading in the Corporation's securities pursuant to (i) the Corporation's written policies then applicable or (ii) a notice in writing to a Participant by a senior officer or a director of the Corporation;

(j) "**Board**" means the board of directors of the Corporation;

(k) "**Bonus Compensation**" means a bonus or similar payment (annual, discretionary or otherwise) determined as payable by the Corporation or a Designated Subsidiary to an Eligible Employee or Eligible Officer;

(l) "**Business Day**" means each day other than a Saturday, Sunday or statutory holiday in Halifax, Nova Scotia;

(m) "**Change in Control**" means:

(i) when any person, together with any Affiliate or Associate of such person (other than the Corporation or its Subsidiaries, or an employee benefit plan of the Corporation or its Subsidiaries, including any trustee of such plan acting as trustee) hereafter acquires the direct or indirect "beneficial ownership", as defined by the Act, of securities of the Corporation representing 50% or more of the combined voting power of the Corporation's then outstanding securities;

(ii) the occurrence of a transaction requiring approval of the Corporation's shareholders involving the acquisition of the Corporation or all or substantially all of its business by an entity through purchase of assets by amalgamation, arrangement or otherwise;

(iii) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Subsidiaries and another corporation or other entity, as a result of which the holders of Common Shares prior to the completion of the transaction hold less than 50% of the votes attaching to all of the outstanding voting securities of the successor corporation or entity after completion of the transaction;

(iv) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;

(v) as a result of or in connection with:

(A) a contested election of Directors; or

(B) a transaction referred to in paragraph (iii) above, the nominees named in the most recent management information circular of the Corporation for election to the Board shall not constitute a majority of the Directors; or

(vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is eminent;

(n) "**Committee**" means the compensation committee of the Board or, if there is no compensation committee, means the Board;

(o) "**Common Share**" means a common share in the capital of the Corporation;

(p) "**Corporation**" means Oceanus Resources Corporation, a corporation formed under the Act;

(q) "**Deferred Share Unit**" means a notional unit credited by the Corporation to the Account of a Participant by way of a book-keeping entry in the books of the Corporation, granted in accordance with this DSU Plan, that represents the right to receive, at the time specified in this DSU Plan, a DSU Plan Share, subject to the provisions this DSU Plan;

(r) "**Designated Subsidiary**" means a Subsidiary designated by the Committee from time to time for the purposes of this DSU Plan;

(s) "**Director**" means a member of the Board from time to time;

(t) "**DSU Plan**" means this Deferred Share Unit Plan;

(u) "**DSU Grant Letter**" means a letter in the form attached hereto as:

(i) Schedule A, in the case of an award of Deferred Share Units pursuant to Section 3.04 of this DSU Plan; or

(ii) Schedule B, in the case of an award of Deferred Share Units pursuant to Section 3.05 of this DSU Plan;

(v) "**DSU Plan Shares**" means the number of Common Shares equal to the number of vested Deferred Share Units that are held by the Participant on the Separation Date;

(w) "**Election Period**" means:

(i) where an Eligible Employee, Eligible Director or Eligible Officer was not an Employee, Director or Officer, as the case may be, within 30 days prior to the beginning of the Year, within 30 days after the date on which the Eligible Employee, Eligible Director or Eligible Officer became an Employee, Director or Officer, as the case may be; and

(ii) where an Eligible Employee, Eligible Director or Eligible Officer was an Employee, Director or Officer, as the case may be, within 30 days prior to the beginning of the Year, within 30 days prior to the date on which that Year commenced.

(x) "**Eligible Director**" means any Director from time to time;

(y) "**Eligible Employee**" means any Employee from time to time;

(z) "**Eligible Officer**" means any Officer from time to time;

(aa) "**Employee**" means any full-time or part-time employee of the Corporation or any Designated Subsidiary;

(bb) "**Insiders**" has the same meaning as found in the TSXV Corporate Finance Manual, as amended from time to time;

(cc) "**Market Value**" means the volume-weighted average trading price of a Common Share on the TSXV for the five (5) consecutive trading days immediately prior to the date as of which Market Value is determined. If the Common Shares are not trading on the TSXV, then the Market Value shall be determined based on the trading price on such stock exchange or over-the-counter market on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Committee. In the event that the Common Shares are not listed and posted for trading on any stock exchange or over-the-

counter market, the Market Value shall be the fair market value of such Common Shares as determined by the Committee in its sole discretion;

(dd) "**Officer**" means a chair, vice-chair, president, chief executive officer, chief financial officer, chief operating officer, vice-president or other officer of the Corporation or any Designated Subsidiary;

(ee) "**Participant**" means each Eligible Employee, Eligible Director or Eligible Officer to whom Deferred Share Units are issued;

(ff) "**Purchase Date**" means (i) in the case of Annual Compensation, the last day in each quarter of a Year, on which date Deferred Share Units representing the Annual Compensation or the portion thereof payable for such quarter to an Eligible Employee, Eligible Director or Eligible Officer, as the case may be, who has elected to receive Deferred Share Units shall be deemed to be awarded and shall be credited to the Account of such Participant, and (ii) in the case of Bonus Compensation, the date the Bonus Compensation or the portion thereof is payable to an Eligible Employee, Eligible Director or Eligible Officer, as the case may be, who has elected to receive Deferred Share Units in respect of such Bonus Compensation or portion thereof;

(gg) "**Separation Date**" means the date that a Participant ceases to be an Eligible Employee, Eligible Director and/or Eligible Officer by reason of his or her death, resignation, termination with or without cause or retirement from, or loss of office as, an Employee, a Director and/or Officer;

(hh) "**Share Compensation Arrangement**" means any stock option, stock option plan, employee share purchase plan or any other compensation or incentive mechanism of the Corporation involving the issuance or potential issuance of Common Shares, including a share purchase from treasury, whether or not financially assisted by the Corporation by way of a loan, guarantee or otherwise;

(ii) "**Subsidiary**" means any related entity to the Corporation, as such term is defined in National Instrument 45-106 - *Prospectus Exemptions* of the Canadian Securities Administrators;

(jj) "**TSXV**" means the TSX Venture Exchange or, if the Common Shares are not listed for trading on the TSXV, such other stock exchange in Canada on which such Common Shares are listed for trading; and

(kk) "**Year**" means a financial year of the Corporation.

Section 1.02 Headings

The headings of all Articles, Sections and subsections in this DSU Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of this DSU Plan.

Section 1.03 References to this DSU Plan

The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this DSU Plan as a whole and not to any particular Article, Section, subsection or other part hereof.

Section 1.04 Canadian Funds

Unless otherwise specifically provided, all references to dollar amounts in this DSU Plan are references to lawful money of Canada.

ARTICLE 2
PURPOSE AND ADMINISTRATION OF THE DSU PLAN

Section 2.01 Purpose of this DSU Plan

The purpose of this DSU Plan is to enhance the Corporation's ability to attract and retain talented individuals to serve as Employees, Directors and Officers and to promote a greater alignment of interests between the Eligible Employees, Eligible Directors, Eligible Officers and the shareholders of the Corporation by linking the compensation of the Eligible Employees, Eligible Directors and Eligible Officers to the future value of the Common Shares.

Section 2.02 Administration of the DSU Plan

This DSU Plan shall be administered by the Committee and the Committee shall have full discretionary authority to administer this DSU Plan, including the authority to interpret and construe any provision of this DSU Plan and to adopt, amend and rescind such rules and regulations for administering this DSU Plan as the Committee may deem necessary in order to comply with the requirements of this DSU Plan. All actions taken and all interpretations and determinations made by the Committee or its delegates in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation.

Section 2.03 No Liability

No member of the Committee nor any Director or Officer shall be personally liable for any action taken or determination or interpretation made in good faith in connection with this DSU Plan and all members of the Committee and all Directors and Officers of the Corporation shall be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made. The appropriate officers of the Corporation are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of this DSU Plan and of any rules and regulations established for administering this DSU Plan. All costs incurred in connection with the administration of this DSU Plan shall be for the account of the Corporation.

Section 2.04 Record Keeping

The Corporation shall maintain a register in which shall be recorded:

(a) the name and address of each Participant in this DSU Plan;

(b) the number of Deferred Share Units granted to each Participant under this DSU Plan; and

(c) the Award Date and Market Value at which Deferred Share Units were granted.

For administrative purposes, a separate register shall be maintained by the Corporation for unvested Deferred Share Units, if applicable.

Section 2.05 Amendment to DSU Plan

Subject as is hereinafter provided, the Board may at any time, and from time to time, and without shareholder approval, amend any provision of this DSU Plan, subject to any regulatory or TSXV requirement at the time of such amendment, including, without limitation:

(a) for the purpose of making minor or technical modifications to any of the provisions of the DSU Plan including amendments of a "clerical" or "housekeeping" in nature;

(b) to correct any ambiguity, defective provision, error or omission in the provisions of the DSU Plan;

(c) amendments to the termination provisions of Section 2.06;

(d) amendments necessary or advisable because of any change in applicable securities laws;

(e) amendments to Section 2.02 regarding the administration of this DSU Plan;

(f) amendments necessary or advisable if any Participant is resident outside of Canada; and

(g) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the rules or policies of the TSXV;

provided however, that:

(h) no such amendment of this DSU Plan may be made without the consent of each affected Participant in this DSU Plan if such amendment would adversely affect the rights of such affected Participant(s) under this DSU Plan;

(i) no amendment shall be made unless it is such that this DSU Plan continuously meets the requirements of paragraph 6801(d) of the Regulations to the *Income Tax Act* (Canada) or any successor provision thereto; and

(j) shareholder approval shall be obtained in accordance with the requirements of the TSXV for any amendment:

(i) to Section 3.02 in order to increase the maximum number of Common Shares that may be issued under this DSU Plan (other than pursuant to Section 3.03); or

(ii) to this subsection 2.05 in any manner.

Section 2.06 Plan Termination

The Board may decide to discontinue granting awards under the DSU Plan at any time in which case no further Deferred Share Units shall be awarded or credited under the DSU Plan. Any Deferred Share Units that remain outstanding in a Participant's Account at that time shall continue to be dealt with in accordance with the terms of this DSU Plan. The DSU Plan shall terminate when all DSU Plan Shares issuable pursuant to Section 3.10 of this DSU Plan have been issued and all Deferred Share Units have been cancelled in all Participants' Accounts.

ARTICLE 3
DSU PLAN

Section 3.01 Establishment of DSU Plan

This DSU Plan is hereby established for Eligible Employees, Eligible Directors and Eligible Officers.

Section 3.02 Maximum Common Shares Reserved for Issuance

The maximum number of Common Shares that are issuable under the DSU Plan is 7,500,000 (the "**Plan Limit**"), subject to adjustment under Section 3.03, provided that:

(a) the maximum number of Common Shares issuable pursuant to the DSU Plan, or when combined with all of the Corporation's other Share Compensation Arrangements, at any time, shall not exceed 20% of the issued and outstanding Common Shares; and

(b) the maximum number of Common Shares issued to Insiders pursuant to the DSU Plan, or when combined with all of the Corporation's other Share Compensation Arrangements, within any one year, shall not exceed 20% of the issued and outstanding Common Shares.

For the purpose of determining the number of Common Shares that remain available for issuance under this DSU Plan, the number of Common Shares underlying any grants of Deferred Share Units that are surrendered, forfeited, waived and/or cancelled shall be added back to the Plan Limit and again be available for future grant.

Section 3.03 Adjustments and Reorganizations

In the event of any dividends paid in Common Shares, share subdivision, combination or exchange of shares, merger, consolidation, spin-off, or other distribution of the Corporation's assets to shareholders, or any other change in the capital of the Corporation affecting Common Shares, the Committee, in its sole and absolute discretion will make, with respect to the number of Deferred Share Units outstanding under this DSU Plan, any proportionate adjustments as it considers appropriate to reflect that change. All adjustments under this section shall, at all times, be in compliance with the provisions of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada).

Section 3.04 Deferral of Annual and Bonus Compensation

(a) Amount of Election

A Participant may elect to receive, in 10% increments, up to 100% of his or her Annual Compensation or Bonus Compensation in Deferred Share Units.

(b) Method of Electing

Each Participant shall complete and deliver to the chief financial officer of the Corporation:

(i) within the Election Period an annual written election in the form attached hereto as Schedule C designating the portion of his or her Annual Compensation that is to be paid in Deferred Share Units and/or cash. If a Participant does not make an election for all or part of a Year, the Participant's Annual Compensation for such Year shall be paid in cash;

(ii) within ten Business Days of the date that the Participant is notified by the Corporation or a Designated Subsidiary, as the case may be, of the amount of the Bonus Compensation determined as payable to the Participant, if any, a written election in the form attached hereto as Schedule C. If a Participant does not make an election within such ten Business Day period, such Bonus Compensation shall be paid in cash.

(c) Duration of Election

An election made in accordance with the foregoing (i) in respect of Annual Compensation shall be effective for the Year or balance thereof in respect of which it is made and (ii) in respect of Bonus Compensation shall be effective solely in respect of the Bonus Compensation for which it is made. An election in respect of Annual Compensation may be revoked or changed only with respect to the portion of a Year for which Deferred Share Units have not yet been credited. An election in respect of Bonus Compensation shall be irrevocable.

(d) Number of Deferred Share Units

The number of Deferred Share Units to be credited shall be determined by dividing the amount of (i) the Annual Compensation in respect of the applicable quarter or (ii) the Bonus Compensation, as the case may be, which is payable on the Purchase Date and which is to be received in Deferred Share Units by the Market Value of a Common Share on the Purchase Date.

Section 3.05 Discretionary Awards

(a) Board Discretion

Subject to this Section 3.05 and such other terms and conditions as the Board may prescribe, the Board, on recommendation of the Committee, in its sole and absolute discretion, shall have authority to award Deferred Share Units to a Participant at any time or from time to time.

(b) Vesting

The Board, on recommendation of the Committee, shall determine the vesting schedule for Deferred Share Units awarded pursuant to this Section 3.05; provided that, if the vesting schedule is not so determined by the Board, one-third (1/3) of such Deferred Share Units shall vest upon each of the first, second and third anniversaries of the Award Date. Unless otherwise determined by the Board, such Deferred Share Units shall cease to vest on the Separation Date and any Deferred Share Units which have not vested on the Separation Date shall be cancelled. Notwithstanding the foregoing, unless otherwise determined by the Board at or after the Award Date, (i) any Deferred Share Units outstanding immediately prior to the occurrence of a Change in Control, but which are not then vested, shall become fully vested upon the occurrence of a Change in Control, and (ii) any Deferred Share Units outstanding immediately prior to a Separation Date relating to the death or termination without cause of a Participant, but which are not then vested, shall be fully vested as of the day immediately prior to the Separation Date. The Board may, in its absolute discretion at any time, shorten the vesting period of all or any unvested Deferred Share Units of a Participant, including, without limiting the generality of the foregoing, upon a Change of Control.

Section 3.06 Credit of Elected Deferred Share Units

All Deferred Share Units received by a Participant shall be credited to an account maintained for the Participant on the books of the Corporation as of the Award Date ("**Account**"), except where Deferred Share Units have been granted pursuant to Section 3.05, in which case such Deferred Share Units shall be credited to the Participant's Account when vested according to the vesting schedule for such Deferred Share Units.

Section 3.07 Notification of Deferred Share Units Granted

Each grant of Deferred Share Units under this DSU Plan shall be evidenced by a DSU Grant Letter issued as of the Award Date. In addition, the Corporation shall issue to each Participant who has been granted Deferred Share Units in a particular Year an annual statement showing the number of Deferred Share Units granted on each Award Date in such Year and the Market Value of a Common Share on each such Award Date.

Section 3.08 Dividends

In the event that a dividend (other than a stock dividend) is declared and paid by the Corporation on Common Shares, a Participant will be credited with additional Deferred Share Units. The number of such additional Deferred Share Units will be calculated by dividing (x) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of Deferred Share Units in the Participant's Account on the dividend record date by (y) the Market Value of a Common Share on the TSXV on the date on which the dividends were paid on the Common Shares, rounded up to the next whole Deferred Share Unit.

Section 3.09 Term of the DSU Plan

This DSU Plan shall be deemed to become effective as of October 1, 2016. Subject to Section 2.06, this DSU Plan shall remain in effect until it is terminated by the Board.

Section 3.10 Redemption

Each vested Deferred Share Unit held by a Participant who ceases to be an Eligible Employee, Eligible Director or Eligible Officer shall be redeemed by the Corporation effective as of the Separation Date for DSU Plan Shares issued from treasury, certificates for which shall be delivered on such date or dates as the Corporation determines, which shall be no later than the date that is three months following the Separation Date.

In the event that the Participant’s Separation Date falls on or within ten Business Days of the expiration of a Blackout Period applicable to such Participant, then notwithstanding the foregoing, the Separation Date shall be extended to the close of business on the tenth Business Day following the expiration of the Blackout Period.

Each Deferred Share Unit held by a Participant must be redeemed by the Corporation within 10 years of grant for DSU Shares issued from treasury.

ARTICLE 4
INCOME TAX MATTERS

Section 4.01 Taxes and Other Source Deductions

The Corporation and any Designated Subsidiary shall be authorized to withhold or deduct from any amount paid or credited hereunder (whether in DSU Plan Shares or cash) such amounts, if any, as may be required to be withheld or deducted under applicable taxation or other laws ("**applicable withholding taxes**"). Any issuance of DSU Plan Shares under the DSU Plan shall be subject to the provision that the Corporation may, in its sole discretion, require the Participant to reimburse the Corporation for any amounts required to be withheld as taxes in respect of the issuance of the DSU Plan Shares to such Participant. In lieu thereof, the issuance of DSU Plan Shares under the DSU Plan is conditional upon the Corporation's or any Designated Subsidiary's reservation, in its discretion, of the right to withhold, consistent with any applicable law, from any compensation or other amounts payable to the Participant or Beneficiary, any amounts required to be paid by the Corporation or a Designated Subsidiary to any taxing or other governmental authority on behalf of the Participant or its own behalf under any federal, provincial or local law as a result of the issuance of DSU Plan Shares under this DSU Plan. The Corporation and any Designated Subsidiary shall also have the right in its discretion to satisfy such withholding tax liability by retaining, acquiring or selling on behalf of a Participant any DSU Plan Shares that would otherwise be issued to a Participant hereunder.

Section 4.02 Compliance with Income Tax Act

Notwithstanding the foregoing, all actions of the Board, the Committee and any Director, Officer or officer of the Corporation shall be such that this DSU Plan continuously meets the conditions of paragraph 6801(d) of the Regulations under the *Income Tax Act* (Canada), or any successor provision.

ARTICLE 5
GENERAL

Section 5.01 Non-Assignable

Deferred Share Units and any right or interest of a Participant under this DSU Plan shall not be assignable or transferable other than to a Beneficiary in accordance with the provisions of this DSU Plan or as otherwise required under applicable laws and any such assignment or transfer in violation of this DSU Plan shall be null and void.

Section 5.02 Designation of Beneficiary

Subject to the requirements of applicable laws, a Participant may designate in writing an individual as Beneficiary to receive any benefits that are payable under the DSU Plan upon the death of such Participant. The Participant may, subject to applicable laws, alter or revise such designation from time to time. The original designation or any change thereto shall be in the form of Schedule D or such other form as the Committee, in its discretion, may from time to time determine.

Section 5.03 Rights as a Shareholder, Director or Officer

No holder of any Deferred Share Units shall have any rights as a shareholder of the Corporation at any time. Nothing in this DSU Plan shall confer on any Participant the right to continue as an Employee, Director or Officer or interfere with the Corporation's right to terminate such Participant's service with the Corporation or a Designated Subsidiary or to not re-nominate the Participant as a Director.

Section 5.04 No Representation or Warranty

The Corporation makes no representation or warranty as to the future value of any rights under Deferred Share Units issued in accordance with the provisions of this DSU Plan. No amount will be paid to, or in respect of, a Participant under this DSU Plan or pursuant to any other arrangement, and no additional Deferred Share Units will be granted to such Participant to compensate for a downward fluctuation in the price of the Common Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

Section 5.05 Compliance with Applicable Law

If any provision of this DSU Plan or any Deferred Share Unit contravenes any law or any order, ruling, policy, by-law or regulation of any regulatory body having jurisdiction, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

Section 5.06 Interpretation

This DSU Plan shall be governed by and construed in accordance with the laws of the Province of Nova Scotia.

Section 5.07 Successors and Assigns

This DSU Plan shall be binding on all successors and assigns of the Corporation.

SCHEDULE A
DSU GRANT NOTIFICATION

TO: _____

Pursuant to the Deferred Share Unit Plan (the "Plan") of Oceanus Resources Corporation it has been determined that you are eligible to participate in the Plan and that on [date] $_____ of your [Annual Compensation in respect of the quarter ended [date]/Bonus Compensation payable on such date] has been paid in _____ Deferred Share Units based on a Market Value of $[●] per Common Share.

Capitalized terms used herein have the meanings ascribed to them in the Plan.

DATED the _____ day of _____, 20____.

OCEANUS RESOURCES CORPORATION

Per:_____
Name:
Title:

SCHEDULE B
DSU GRANT NOTIFICATION

TO: _____

Pursuant to the Deferred Share Unit Plan (the "Plan") of Oceanus Resources Corporation it has been determined that you are eligible to participate in the Plan and you have been awarded _____ Deferred Share Units effective [●] (the "Award Date"). The Market Value of a Common Share on the Award Date is $_____.

Capitalized terms used herein have the meanings ascribed to them in the Plan.

DATED the _____ day of _____, 20____.

OCEANUS RESOURCES CORPORATION

Per: _____
Name:
Title:

SCHEDULE C
ELECTION REGARDING COMPENSATION

TO: The Compensation Committee of Oceanus Resources Corporation (the "Corporation")

FROM: [NAME OF EMPLOYEE, DIRECTOR or OFFICER]

Pursuant to the terms of the Deferred Share Unit Plan of the Corporation (the "Plan"), I hereby elect to receive:

(i) _____% of my [Annual Compensation in respect of the _____ Year/Bonus Compensation payable on [date]] in the form of Deferred Share Units; and

(ii) _____% of my [Annual Compensation in respect of the _____ Year/Bonus Compensation payable on [date]] in the form of cash.

This constitutes my election as required pursuant to Section 3.04 of the Plan. Capitalized terms used herein have the meanings ascribed to them in the Plan.

DATED the _____ day of _____, 20____.

_____
[EMPLOYEE, DIRECTOR or OFFICER]

SCHEDULE D
BENEFICIARY DESIGNATION FORM

- Please read the instructions before completing this form. Oceanus Resources Corporation (the "**Corporation**") assumes no responsibility for the validity or sufficiency of this form. Capitalized terms used in this form have the meanings given to them in the Corporation's Deferred Share Unit Plan.
- **Please PRINT all names (full name), relationship to Participant and percentage amounts.**
- **Date and sign as required at bottom of form.**
- **Please complete this form in duplicate and return both copies to the Corporation.**

Name of Participant: _____

The undersigned hereby revokes any beneficiary designation previously made in respect to the DSU Plan Shares issuable upon the death of the Participant under Oceanus Resources Corporation's Deferred Share Unit Plan (the "**Plan**") and directs that such DSU Plan Shares be issued to:

Name of Beneficiary	**Relationship to Participant**	**Percentage**	
_____	_____	_____	☐ Revocable ☐ Irrevocable
_____	_____	_____	☐ Revocable ☐ Irrevocable
_____	_____	_____	☐ Revocable ☐ Irrevocable

Minor Clause – complete if necessary

Please note that according to legal requirements, the Corporation cannot pay out to beneficiaries who are minors. A trustee for minor children must be designated, except in Québec where this is unacceptable at law.

☐ Trustee for Minor Children

Full Name (please print) _____ Relationship to Participant _____

is hereby appointed Trustee to receive any DSU Plan Shares due on or after the Participant's death to any Beneficiary designated in this form who is a minor on the date such DSU Plan Shares are issuable.

It is hereby certified that the undersigned is/are the age of majority.

_____ _____

Witness other than Beneficiary Date Signature of Participant Date

SCHEDULE "C"

SHAREHOLDERS' RESOLUTION WITH RESPECT TO DEFERRED SHARE UNIT PLAN

Capitalized terms have the meanings ascribed thereto in the Management Information Circular of OCEANUS RESOURCES CORPORATION ("**Corporation**") dated August 29, 2016 .

BE IT RESOLVED AS A RESOLUTION OF THE SHAREHOLDERS OF THE CORPORATION THAT:

1. the deferred share unit plan of the Corporation (the " **DSU Plan**"), in the form attached as Schedule "B" to this Circular, be and the same is hereby ratified, confirmed and approved subject to applicable regulatory approval;

2. the form of the DSU Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Shareholders of the Corporation;

3. any director or officer is hereby authorized to execute and deliver all such deeds, documents and other writings and perform such acts as may be necessary in order to give effect to the adoption of the DSU Plan; and

4. notwithstanding the approval of the shareholders of the Corporation as herein provided, the Board of Directors of the Corporation may, in its sole discretion, at any time suspend or terminate the DSU Plan or revoke this resolution before it is acted upon, without further approval of the Shareholders of the Corporation.

SCHEDULE "D"

OCEANUS RESOURCES CORPORATION

AUDIT COMMITTEE CHARTER

1.0 PURPOSE

1.1 The Audit Committee (the "Committee") is a standing committee of the board of directors (the "Board") of OCEANUS RESOURCES CORPORATION ("OCEANUS RESOURCES CORPORATION" or the "Corporation") charged with assisting the Board in fulfilling its responsibility to its shareholders and to the investment community. Its role is to serve as an independent and objective party to oversee OCEANUS RESOURCES CORPORATION's accounting and financial reporting processes, internal control system and external audits of its financial statements.

2.0 COMMITTEE MEMBERSHIP

2.1 The Board shall annually appoint a minimum of three directors to the Committee the majority of whom shall be directors of OCEANUS RESOURCES CORPORATION who are independent of management and free from any material relationship that, in the opinion of the Board, would interfere with the director's exercise of independent judgment as a member of the Committee.

2.2 Each member of the Committee must be financially literate, or if not financially literate at the time of his appointment, must become so within a reasonable period of time following his appointment.

2.3 Members of the Committee shall typically be appointed at the first meeting of the Board held following each annual meeting of the shareholders of OCEANUS RESOURCES CORPORATION.

2.4 A member may resign or be removed from the Committee at any time and thereafter shall be replaced by the Board. A member of the Committee will automatically cease to be a member at such time as that individual ceases to be a director of OCEANUS RESOURCES CORPORATION.

3.0 CHAIR OF THE COMMITTEE

3.1 The Board shall in each year appoint a chair of the committee ("Chair") from among the members of the Committee. In the Chair's absence, or if the position is vacant, the Committee may select another member to act as interim Chair.

3.2 The Chair shall be responsible to ensure the Committee meets regularly and performs its duties as set out herein, and to report to the Board of Directors on the activities of the Committee.

4.0 AUDIT RESPONSIBILITIES

4.1 The Committee is responsible to:

Financial Statement and Disclosure Matters

(a) review the interim unaudited financial statements and the annual audited financial statements, and shall report thereon to the Board;

(b) satisfy itself that OCEANUS RESOURCES CORPORATION's annual audited financial statements are fairly presented in accordance with applicable Canadian generally accepted accounting principles and recommend to the Board whether the annual financial statements should be approved and included in OCEANUS RESOURCES CORPORATION's Annual Report;

(c) satisfy itself that the information contained in the Corporation's quarterly financial statements, MD&A and any other financial publication or disclosure of financial information extracted or derived from the Corporation's financial statements, does not include any untrue statement of any material fact or omit to state a material fact that is required or necessary to make a statement not misleading in light of the circumstances under which it was made;

(d) review OCEANUS RESOURCES CORPORATION's financial statements, MD&A and, if applicable, annual and interim earnings press releases referring to financial information before the information is publicly disclosed, and ensure that adequate procedures are in place for the review of any other public disclosure derived from OCEANUS RESOURCES CORPORATION's financial statements;

(e) discuss with management and the external auditor significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including any significant changes in the Corporation's selection or application of accounting principles, any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies;

(f) review and discuss quarterly reports from the external auditor on:

(i) all critical accounting policies and practices to be used;

(ii) all alternative treatments of financial information within applicable Canadian generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditor; and

(iii) other material written communications between the external auditor and management, such as any management letter or schedule of unadjusted differences;

Oversight of the Corporation's External Auditors

(g) make recommendations to the Board regarding the selection and compensation of the external auditor to be put forth for appointment at each annual meeting of the Corporation;

(h) satisfy itself that the external auditor reports directly to the Committee;

(i) oversee the work of the external auditor engaged to prepare or issue an auditor's report or perform other audit, review or attest services for OCEANUS RESOURCES CORPORATION, including the resolution of any disagreements between management and the external auditor regarding financial reporting;

(j) obtain and review a report from the external auditor at least annually regarding:

(i) the external auditor's internal quality-control procedures;

(ii) any material issues raised by the most recent internal quality-control review, or peer review, of the external audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;

(iii) any steps taken to deal with any such issues; and

(iv) all relationships between the external auditor and OCEANUS RESOURCES CORPORATION, including non-audit services;

(k) evaluate the qualifications, performance and independence of the external auditor, including considering whether the external auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management, and to present its conclusions with respect to the external auditor to the Board;

(l) satisfy itself of the rotation of the audit partners and consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the external auditing firm on a regular basis;

(m) meet with the external auditor and financial management of OCEANUS RESOURCES CORPORATION to review the scope of the proposed audit for the current year and the audit procedures to be used;

(n) satisfy itself that the audit function has been effectively carried out and that any matter which the external auditor wishes to bring to the attention of the Board has been addressed and that there are no unresolved differences between management and the external auditor;

(o) pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Corporation by its external auditor, subject to the *de minimis* exceptions for non-audit services described in Multilateral Instrument 52-110, section 2.4, which are approved by the Committee prior to the completion of the audit. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of permitted non-audit services, provided that decisions of such subcommittee to grant pre-approvals shall be presented to the full Committee at its next scheduled meeting;

(p) review and approve OCEANUS RESOURCES CORPORATION's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation;

Financial Reporting and Risk Management

(q) review the audit plan of the external auditor for the current year, and review advice from the external auditors relating to management and internal controls and the Corporation's responses to the suggestions made therein;

(r) discuss with management the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Corporation's risk assessment and risk management policies;

(s) satisfy itself that the Corporation has implemented appropriate systems of internal control over financial reporting, the safeguarding of the Corporation's assets and other "risk management" functions affecting the Corporation's assets, management and financial and business operations, and that these systems are operating effectively;

Compliance Oversight Responsibilities

(t) establish procedures for the receipt, retention and treatment of complaints received by OCEANUS RESOURCES CORPORATION regarding accounting, internal accounting controls, or auditing matters;

(u) establish procedures for the confidential, anonymous submission by employees of OCEANUS RESOURCES CORPORATION of concerns regarding questionable accounting or auditing matters;

(v) discuss with management and the external auditor any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Corporation's financial statements or accounting policies;

(w) discuss with the Corporation's general counsel or outside counsel, as appropriate, legal matters that may have a material impact on the financial statements, or the Corporation's compliance policies; and

(x) satisfy itself that all regulatory compliance issues have been identified and addressed and identifying those that require further work.

4.2 While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Corporation's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles applicable rules and regulations. These are the responsibilities of management and the external auditor.

5.0 GENERAL RESPONSIBILITIES

5.1 The Committee shall:

(a) make regular reports to the Board;

(b) have the right, for the purpose of performing their duties:

(i) to inspect all the books and records of the Corporation and its subsidiaries;

(ii) to discuss such accounts and records and any matters relating to the financial position of the Corporation with the officers and auditor of the Corporation and its subsidiaries; and

(iii) to commission reports or supplemental information relating thereto;

(c) permit the Board to refer to the Committee such matters and questions relating to the financial position of the Corporation and its affiliates or the reporting related thereto as the Board may from time to time see fit; and

(d) perform any other activities consistent with this Charter, the Corporation's Articles and governing law, as the Committee or the Board deems necessary or appropriate.

6.0 MEETINGS

6.1 The Chairman will appoint a secretary who will keep minutes of all meetings (the "Secretary"). The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.

6.2 No business shall be transacted by the Committee unless a quorum of the Committee is present or the business is transacted by resolution in writing signed by all members of the Committee. A majority of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.

6.3 The Committee shall meet often as it deems necessary to carry out its responsibilities but not less frequently than quarterly.

6.4 The time at which, and the place where the meetings of the Committee shall be held, and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the Articles of OCEANUS RESOURCES CORPORATION or otherwise determined by resolution of the Board.

6.5 Meetings may be held in person, by teleconferencing or by videoconferencing.

6.6 Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.

6.7 Minutes of the Committee will be kept by the Secretary. The approved minutes of the Committee shall be circulated to the Board forthwith and shall be duly entered in the books of OCEANUS RESOURCES CORPORATION.

7.0 ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS

7.1 The Committee shall have full, free and unrestricted access to management and employees and to the relevant books and records of OCEANUS RESOURCES CORPORATION.

7.2 The Committee may invite such other persons (eg. the CEO, CFO, Controller) to its meetings, as it deems necessary.

7.3 The Committee shall have the authority to:

(a) retain independent legal, accounting or other relevant advisors as it may deem necessary or appropriate to allow it to discharge its responsibilities;

(b) set and pay the compensation of any such advisors, at the expense of OCEANUS RESOURCES CORPORATION; and

(c) to communicate directly with the internal and external auditor.

7.4 Any advisors retained shall report directly to the Committee.

8.0 REPORTING REQUIREMENTS

8.1 The Committee shall make regular reports to the Board, through the Chair, following meetings of the Committee.

9.0 ANNUAL REVIEW AND ASSESSMENT

9.1 The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

9.2 The Committee shall review its own performance annually and report to the Board.

10.0 REMUNERATION

10.1 The members of the Committee, shall be entitled to receive such remuneration for acting as a member of the Committee as the Board may from time to time determine.

ADDENDUM "A

OCEANUS RESOURCES CORPORATION

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

PROCEDURES FOR SUBMISSIONS OF COMPLAINTS RELATING TO ACCOUNTING MATTERS OR FRAUD

WHISTLEBLOWER POLICY

1. The Corporation shall inform all directors, employees and consultants in writing, e-mail or such other means that is disseminated to all employees at least annually, of the officer (the "Complaints Officer") designated from time to time by the Audit Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters, and any matters which relate to fraud against shareholders.

2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Audit Committee or the Chairman of the Committee.

3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.

4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.

5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

6. The Complaints Officer will be:

Chairman of the Board
OCEANUS RESOURCES CORPORATION
Purdy's Wharf Tower II, Suite 2108
1969 Upper Water Street
Halifax, Nova Scotia B3J 3R7

Tel: 902-441-6700