



EXPLOR
Resources inc.

Management Information Circular

For the Annual and Special Meeting of the Shareholders

to be held on Tuesday, October 7, 2014
at 10:00 a.m. at the 15 Gamble East Street, Suite 204
Rouyn-Noranda, Quebec

NOTICE OF MEETING
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO: THE SHAREHOLDERS OF EXPLOR RESOURCES INC.

NOTICE is hereby given that the Annual and Special Meeting (the “**Meeting**”) of the shareholders of Explor Resources Inc. (the “**Corporation**”) will be held at 15 Gamble Street East, Suite 204, Rouyn-Noranda, Quebec, J9X 3B6 on Tuesday, **October 7, 2014** at the hour of 10:00 a.m. (Eastern time) for the following purposes:

1. To receive the audited financial statements of the Corporation for the year ended April 30, 2014 and the report of the auditors thereon;
2. To pass a resolution fixing the number of directors of the Corporation to be four (4);
3. To pass a resolution appointing each of the directors for the ensuing year;
4. To pass a resolution appointing the auditors for the ensuing year and to authorize the Board of Directors to fix the auditors' remuneration; TO CONSIDER, and if thought advisable, to pass an ordinary resolution of the disinterested shareholders of the Corporation approving the Option Agreement between the Corporation and Brunswick Resources Inc. pertaining to the sale of the Chester Property;
5. To consider, and if thought advisable, to approve the continuation of the Corporation's Stock Option Plan which permits grant of options of up to ten (10%) percent of the issued and outstanding common shares to be made by the Corporation on a rolling grant basis; and
6. To transact such other business as may properly come before the Meeting.

The details of the matters proposed to be put before the Meeting are set forth in the Management Information Circular accompanying and forming part of this Notice of Meeting. The management discussion and analysis, the audit financial statements of the Corporation and the independent auditor's report to the shareholders for the year ended April 30, 2014, are posted on the Corporation's website at www.explorresources.com and on the SEDAR website at www.sedar.com.

The record date for the Meeting is the close of business on September 5, 2014. Only shareholders of the Corporation of record as at that date and beneficial shareholders who are entitled to notice pursuant to National Instrument 54-101 on the record date are entitled to receive notice and vote at the Meeting unless after that date a shareholder of record transfers his/her shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he/she owns such shares, requests that CST Trust Company includes the transferee's name on the Corporation's list of shareholders, at least ten days prior to the Meeting.

DATED at Rouyn-Noranda, Province of Quebec, this 8th day of September 2014

BY ORDER OF THE BOARD

Signed (S): “Julie Godard”
Julie Godard, Secretary

EXPLOR RESOURCES INC.

MANAGEMENT INFORMATION CIRCULAR

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON OCTOBER 7, 2014

A. PROXY SOLICITATION INFORMATION

Solicitation of Proxies

This management proxy circular (the “Circular”) is distributed within the framework of the solicitation by the management of the Corporation of proxies to be used at the Annual and Special Meeting of shareholders of the Corporation (the “Meeting”). The Meeting will be held at the time and place and for the purposes specified in the enclosed Notice of the Annual and Special Meeting (the “Notice”) and any adjournment thereof. The solicitation of proxies will be done by mail and by telephone and the cost will be borne by the Corporation.

This instrument of proxy will not be valid and not be acted upon or voted unless it is completed as outlined herein and delivered to the attention of Proxy Dept., CST Trust Company., P.O. Box 721, Agincourt, Ontario, M1S 0A1, by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US only) or by email at proxy@canstockta.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A proxy form is valid only at the Meeting or any adjournment(s) thereof.

Appointment of Proxy

The form of proxy must be signed by the shareholder or his/her attorney duly authorized in writing or, if the shareholder is a legal entity, by an executive officer or attorney so authorized in writing. The form of proxy must be accompanied by a certified copy of the resolution authorizing the signature, and filed (i) with the President of the Corporation, at 15 Gamble Street East, Suite 204, Rouyn-Noranda, Quebec J9X 3B6 or with CST Trust Company., P.O. Box 721, Agincourt, Ontario, M1S 0A1, by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US only) or by email at proxy@canstockta.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof, on the last business day preceding the day of resumption of the Meeting and at the same location, or (ii) with the Chairman of the Meeting on the day of the Meeting or the day of its resumption before the said Meeting starts.

The persons named as proxy in the enclosed form of proxy are directors and/or officers of the Corporation. **Any shareholder has the right to appoint a proxy to represent him/her at the Meeting other than the persons whose name appears as proxy in the enclosed form of proxy by striking out the names printed on the form of proxy and by inserting the name of the proxy of his/her choice in the blank space provided.** A person thus appointed as proxy need not be a shareholder of the Corporation. A person thus appointed as proxy can be revoked if the shareholder attends the Meeting in person and applies therefor.

A non-registered shareholder who wishes to appoint another person to represent him at the Meeting shall carefully follow the instructions of his/her intermediary, including those regarding when and where to send the voting instruction form or proxy to be delivered with directions concerning the appointment of another person to represent him/her at the Meeting.

Discretionary Powers Conferred by Proxies

The right to vote conferred by properly executed form of proxies in the accompanying form, duly signed on behalf of the persons designated therein shall be exercised on any ballot that may be called during the Meeting. The directors who solicit the proxy agree to respect the instructions given by the shareholder in the form of proxy. **If no instructions are given, the votes shall be cast in favour of the resolutions set forth in the Notice of Meeting. The enclosed form of proxy confers discretionary authority upon the persons named therein in respect of amendments to or variations of the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting, except for the election of directors.** At the date of this Circular, the management of the Corporation is not aware of any such amendments, or other items that may come before the Meeting.

Right of Revocation of Proxies

A shareholder who grants a proxy may, at any time, revoke such proxy by filing a written notice, signed by the shareholder or his/her attorney duly authorized in writing or, if the shareholder is a legal entity, this written notice must be signed by an officer or duly authorized attorney and must be accompanied by a certified copy of the resolution authorizing the signature, either: (i) with the President of the Corporation, at 15 Gamble Street East, Suite 204, Rouyn-Noranda (Quebec) J9X 3B6 or with CST Trust Company., P.O. Box 721, Agincourt, Ontario, M1S 0A1, by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US only) or by email at proxy@canstockta.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof, on the last business day preceding the day of resumption of the Meeting and at the same location, or (ii) with the Chairman of the Meeting on the day of the Meeting or the day of its resumption before the said Meeting starts.

Interest of Certain Persons in Matters to be Acted Upon

To the knowledge of the Board of Directors (“the “Board”) and management of the Corporation, no director or executive officer of the Corporation or anyone who has held office as such since the beginning of the last financial year of the Corporation or of any associate or affiliate of any of the foregoing has a material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting, except as otherwise disclosed herein.

Voting Shares and Principal Holders Thereof

The authorized share capital of the Corporation consists of an unlimited number of common shares without par value.

September 5, 2014 was the record date (the Record Date) for purposes of determining the shareholders entitled to receive Notice of Meeting and to vote at the Meeting. As of the Record Date, there were 47,421,072 common shares of the Corporation issued and outstanding giving the holders the right to one vote per share. Only shareholders of the Corporation of record as at the Record Date and beneficial shareholders who are entitled to notice pursuant to National Instrument 54-101 on the Record Date are entitled to vote at the Meeting unless after that date a shareholder of record transfers his/her shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he/she owns such shares, requests that CST Trust Company includes the transferee's name on the Corporation's list of shareholders, at least ten days prior to the Meeting.

To the knowledge of the management of the Corporation, there is no person who exercises, directly or indirectly, control or direction over, more than 10% of the outstanding common shares of the Corporation, except of Concept Capital Management Ltd. Which holds 5,238,000 (11%) common shares and 2,400,000 warrants to purchase 2,400,000 common shares (16% if all the warrants were fully exercised).

Advice to Beneficial Holders of Shares

The information set forth in this section should be reviewed carefully by the non-registered shareholders of the Corporation. Shareholders who do not hold their common shares in their own name (the “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If the common shares are not registered in the shareholder’s own name, they are held in the name of a “nominee”, usually a bank, trust company, securities dealer or broker or other financial institution. Applicable securities laws and regulations require nominees of Beneficial Shareholders to seek their voting instructions in advance of the Meeting. Therefore, unless a Beneficial Shareholder has previously informed its nominee that he or she does not wish to receive material relating to shareholders’ meetings, he or she will receive this Circular in a mailing from its nominee, together with a form of proxy or voting instruction form. Each nominee has its own signature and return instructions. It is important that the Beneficial Shareholder comply with these instructions if he or she wants the voting rights attached to her or his shares to be exercised. If the Beneficial Shareholder which has submitted a proxy wishes to change his voting instructions, the Beneficial Shareholder should contact his nominee to find out whether this is possible and what procedure to follow.

Neither the Corporation nor its registrar and transfer agent have a record of the names of the Beneficial Shareholders of the Corporation. If a Beneficial Shareholder attends the Meeting, neither the Corporation nor the registrar and transfer agent will have knowledge of the Beneficial Shareholder’s shareholdings or its entitlement to vote, unless the nominee has appointed the Beneficial Shareholder as proxyholder. Therefore, if you are a Beneficial Shareholder and wish to vote in person at the Meeting, you must insert your name in the space provided on the form of proxy or voting instruction form sent to you by your nominee. By doing so, you are instructing the nominee to appoint you as proxyholder. It is important that the signature and return instructions provided by the nominee are complied with. It is not necessary to otherwise complete the form as you will be voting at the Meeting.

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

B. MATTERS TO BE ACTED UPON AT THE ANNUAL AND SPECIAL MEETING

Financial Statements

The audited financial statements of the Corporation and the management discussion and analysis for the financial year ended April 30, 2014 and the report of the auditors thereon will be placed before the Meeting but will not be subject to a vote. These financial documents are filed on SEDAR (www.sedar.com) and on the Corporation’s website at www.exploresources.com.

Fix Number of Directors to Be Elected at Meeting

Shareholders of the Corporation will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution. At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, the persons named in the form of proxy intend to vote “FOR” the ordinary resolution fixing the number of directors to be elected at the Meeting at four (4).**

Election of Directors

Directors serve one year terms with the full board being elected at each annual meeting. **The persons named in the proxy intend to vote “FOR” the election of each of the nominees listed below to serve until the next annual meeting following the Meeting unless otherwise directed in the form of proxy.**

Management of the Corporation does not contemplate that any of the nominees will, for any reason, become unable or unwilling to serve as a director. However, if any change should occur prior to the Meeting, the persons mentioned in the enclosed form of proxy reserve the right to vote for other nominees of their choice.

The information on nominees has been furnished by respective nominees individually. All these directors have been elected at a previous shareholder meeting comprising management information circular.

Name, Province of State and Country of Residence and Office Held with the Corporation	Main Occupation	Date of Appointment to the Board	Number of Common Shares Held as at September 5, 2014
Christian Dupont ⁽¹⁾ New-Brunswick, Canada President and Chief Executive Officer and Director	Mining Engineer, President and Chief Executive Officer of Brunswick Resources Inc. since December 2013 and of the Corporation since October 2005	October 21, 2005	2,266,397
Geoffrey Carter ⁽¹⁾ Ontario, Canada Director	Mining Engineer	January 7, 2008	0
Mario Colantonio ⁽¹⁾ Ontario, Canada Director	Civil Engineer	May 13, 2009	0
Jonathan Challis Kent, United Kingdom Director	Mining Engineer	July 2, 2013	0

(1) Member of the Audit Committee

(2) On a non-diluted basis

Penalties, Sanctions, Cease Trade Orders or Bankruptcies: Except as disclosed in the paragraph hereunder, no proposed director is as at the date hereof, or has been within the last ten years of the date hereof, a director or executive officer of any company (including the Corporation) that, while he was acting in such capacity: (i) was the subject of a cease trade or similar order, or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; (ii) was subject to an event that resulted, after the director or officer ceased to be a director or officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (iii) 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; (iv) was subject to penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (v) was subject to any other penalties or sanctions imposed by a court or regulatory body. No proposed director has, within ten years before 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 proposed director.

Christian Dupont has been a director of Treegenic Gold Corporation until January 2010, a reporting issuer in the Province of Quebec. The Autorité des marchés financiers du Québec issued a cease trading order on

the shares of this issuer in September 2004 for failure to file its annual and interim financial statements, which was revoked on March 2013.

Appointment of Auditors

Since August 31, 2006, the auditors of the Corporation have been Dallaire & Lapointe Inc., of Rouyn-Noranda, Province of Quebec. The Board recommends that Dallaire & Lapointe Inc., be re-appointed as the Corporation's auditors to hold office until the close of the next annual meeting and that the Board be authorized to fix the remuneration as such.

Approval of an Option Agreement with Brunswick Resources Inc. Pertaining to the sale of the Chester Property

General

On April 17, 2014, the Corporation entered into a letter of intent with Brunswick Resources Inc. ("**Brunswick**") setting the general terms pursuant to which Brunswick shall have the right and option to acquire a 100% interest in a copper property located in the province of New-Brunswick, as described below (the "**Chester Property**"). In June 2014, Brunswick and Explor have amended the letter of intent. Upon the approval of disinterested shareholders of the Corporation and of Brunswick's disinterested shareholders, Explor and Brunswick will sign a definitive option agreement for the acquisition of the Chester Property by the Corporation, the main terms of which are described below (the "**Option Agreement**").

Background

The Board of directors of Explor has decided to grant to Brunswick an option to purchase pertaining to the Chester Property. The board believes that it is in the best interest of the Corporation to sell the Chester Property at this time. The current market conditions for exploration companies makes it very difficult to obtain financings. In connection with the acquisition of the Chester Property, Explor has financial obligations of \$50,000 to the former owners prior to February 26, 2015 and \$50,000 before February 16, 2016. Explor does not have financial resources to fulfill these obligations. If the Corporation is unable to fulfill these obligations then the property will be returned to the former owners. In the current context, Brunswick Resources has signed an option agreement with the following terms:

Brunswick Resources will have the sole and exclusive right and option, over a three year period, to acquire an interest of 100% in the Chester Property for the following considerations:

- (i) payment of \$40,000 to Explor, of which \$10,000 upon signature of the Option Agreement and the remaining by annual instalments of \$10,000 over a three year period;
- (ii) payment to the previous owners of the Chester Property pursuant to option agreements amongst them and Explor of a total amount of \$100,000, of which \$50,000 on or before February 26, 2015 and the balance on or before February 26, 2016;
- (iii) issuance to Explor of a total of 5,000,000 common shares of the Corporation, of which 1,000,000 shares upon signature of the Option Agreement and the remaining 4,000,000 shares in tranches of 1,333,333 shares over a three year period; and
- (iv) execution of exploration work on the Chester Property for an amount of \$500,000, of which at least \$100,000 within the first year, \$200,000 within the second year and \$200,000 within the third year.

This option agreement provides Explor with compensation for the Chester Property instead of having to return it to its former owners because of the lack of cash. Pursuant to Brunswick's offer, Explor will receive cash and common shares of Brunswick that Explor can use to finance its current exploration program. In addition Brunswick will be required to complete exploration work on the Chester Property, to keep the property in good standing as required by New Brunswick statutory law. Explor does not currently have the financial resources to complete an exploration program on the property.

Description of the Chester Property

The Chester Property is located in Northumberland County, 70 km southwest of Bathurst and 50 km west-northwest of Miramichi, in the Province of New Brunswick, within the Bathurst Mining Camp. This area has an extensive history in base metal production from VMS deposits. 19 contiguous mineral claim units form part of the agreement with Brunswick.

The Chester deposit was originally discovered in the mid-1950s and it has undergone numerous exploration and delineation drilling programs. The Chester Property hosts several small zinc-copper massive sulphide deposits which are underlain by an extensive copper-bearing Stringer zone. An underground drift, totaling approximately 470 m, was driven in 1974-75 to evaluate the nature of the mineralization in the Stringer zone. At that time, a small amount of material was extracted from this drift and processed at the nearby Nigadoo River Mine owned by the Sullivan Group of Val d'Or, Québec. During the period from 2002 through 2008, a portion of the Chester Property was owned by First Narrows Resources Corp. which drilled a total of 198 holes on the Chester Property. The primary objective at that time was to delineate the upper portion of the Stringer zone of the deposit in order that commercial production could be initiated. Current economic viability has not been demonstrated. This work culminated in the generation of a mineral resource estimate that was originally described in a 2008 NI-43-101 technical report that was completed by Robert Sim, P.Geo. and was filed on SEDAR under First Narrows Resources Corp.'s profile in 2008.

Following the issuance of 1,000,000 common shares of Brunswick to the Corporation upon signature of the Option Agreement, Explor will hold 4.2 % of Brunswick's outstanding common shares as at the date of this Circular. On a non-diluted basis, if no other common share of Brunswick would be issued upon exercise of outstanding or further warrants or stock options or pursuant to acquisition agreements or option for the acquisition of other mining properties or pursuant to private or public placements of the Corporation to finance work on its mining properties and for its general working capital requirements, the total number of 5,000,000 common shares of the Corporation that could be issued to Explor on a three-year period pursuant to the Option Agreement would represent 18.0% of the outstanding common shares of the Corporation as at the date of this Circular. Brunswick is planning to acquire other mining properties and to finance exploration work on the Chester Property by the issuance of common shares from its capital in the following year. Explor is planning on divesting itself of the shares of Brunswick as the market permits and this will reduce the percentage of shares owned by Explor.

TSX Venture Exchange Requirement for Disinterested Shareholder Approval

The transaction contemplated in the Option Agreement between Brunswick and the Corporation involves non-arm's length parties, as Christian Dupont and Rodrigue Tremblay are officers of both Brunswick and the Corporation and Mario Colantonio and Geoffrey Carter are directors of both Brunswick and the Corporation. Furthermore, the transaction is a fundamental acquisition for the Corporation pursuant to Policy 5.3 of the TSX Venture Exchange. Accordingly, the Option Agreement must be approved by a majority of the votes of the disinterested shareholders of the Corporation, being the shareholders of the Corporation, other than the directors, the officers and any other insider of the Corporation and any associates of such persons and Explor and its directors, officers and any other insider and any associates of such persons.

The persons named in the enclosed proxy form intend to vote FOR the ordinary resolution approving the Option Agreement among the Corporation and Brunswick for the sale of the Chester Property unless the shareholder specifies that his or her proxy form be voted against this resolution.

Stock Option Plan

Shareholders will be asked to approve the continuation of the Corporation's Stock Option Plan pursuant to which 10% of the Corporation's issued and outstanding shares are set aside and reserved for stock options on a rolling basis. The Stock Option Plan was initially approved by the shareholders of the Corporation at the annual general meeting of shareholders held on December 16, 2008. The form of Stock Option Plan is attached as Schedule "B" of the Corporation's management information circular dated November 8, 2008, which was filed on SEDAR (www.sedar.com).

Other Business

The management of the Corporation is not aware of any other matters to come before the Meeting, other than those set out in the Notice of the Meeting or in this Circular. If other matters come before the Meeting, it is the intention of the person's name in the accompanying form of Proxy to vote the same in accordance with their best judgment.

C. STATEMENT OF EXECUTIVE COMPENSATION

For the year ended April 30, 2014, the Corporation had two "**Named Executive Officers**" ("**NEOs**") as this term is defined in *Form 51-102F6 Statement of Executive Compensation* under *Regulation 51-102 respecting continuous disclosure obligations*, being: Christian Dupont, President and Chief Executive Officer (the "CEO") and Jacques Frigon, Chief Financial Officer (the "CFO"). Mr. Frigon has resigned on March 14, 2014 and Mr. Rodrigue Tremblay has replaced him as CFO. Mr. Tremblay is not a member of the Board of Directors.

The Board has no compensation committee. Considering its actual small size, the Board assumes the responsibility to establish the objectives of the Corporation's executive compensation program which are to attract, motivate, engage and retain qualified, high performance individuals and to meet performance objectives designed to increase shareholder returns. The Board: (i) establishes the objectives that will govern the Corporation's compensation program for the NEOs and the directors; (ii) oversees and approves the compensation and benefits to the NEOs; (iii) oversees the Company's stock option plan; and (iv) promotes the clear and complete disclosure to shareholders of material information regarding executive compensation.

Compensation Process and Objectives

The Board relies on the knowledge and experience of its members to set appropriate levels of compensation for the NEOs. The Board reviews the NEOs compensation on an annual basis and, in doing such task, it evaluates the NEOs achievements during the preceding year. The Corporation has not retained any third party advisors to conduct compensation reviews of its competitors' pay levels and practices.

The Corporation is an exploratory stage mining company and is not generating, nor expecting to generate revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Board to be appropriate in the evaluation of corporate or NEOs performance. The compensation of the senior officers is based, in substantial part, on industry compensation practices, trends in the mining industry as well as achievement of the Corporation's business plans. An important element of the compensation is the grant of stock options, which does not require cash disbursement from the Corporation.

Currently, the compensation arrangements for the Corporation's NEOs are composed of two components: (i) the payment of an amount in cash to the CEO as consulting fees; and (ii) the grant of stock options. A competitive remuneration is aimed to attract and retain skilled persons necessary to achieve corporate objectives. The grant of stock options is aimed to motivate and reward senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives.

The Corporation does not offer benefit programs, such as life insurance and health and dental benefits. Where NEOs receive other perquisites (such as car allowances or company vehicles), they reflect competitive practices, business needs and objectives.

Consulting Fees

The cash amount paid to the CEO and to the CFO on a consulting fee basis is reviewed annually by the Board to ensure it reflects a balance of market conditions, the level of responsibilities, the skill and competencies of the individual, retention considerations as well as the level of demonstrated performance. The basic hourly rate payable for professional services payable to the CEO is set by the Board on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the President and CEO to the Corporation's long-term growth and the Board members' knowledge of remuneration practices in Canada.

Stock Options

The Corporation has implemented a stock option plan (see “**Securities Authorized for Issuance under Equity Compensation Plans**” elsewhere in this Circular) to provide its officers, including NEOs, directors, employees and consultants with a long-term incentive for performance and commitment to the Corporation.

The Corporation believes that participation by the NEOs and directors in the stock option plan aligns their interests with those of the Corporation's shareholders, as the NEOs and directors are rewarded for the Corporation's performance as evidenced by share price appreciation. In determining the number of options to be granted, the number and term of options previously granted, individual and team responsibilities and functions, position, individual performance and projected contribution are considered. Management proposes the number of options and names of the optionees and the Board reviews and approves the grant and sets the exercise price (based on the current market price of the Corporation's shares on the TSX Venture Exchange Inc.) and the expiry date.

Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided by the Corporation, in Canadian dollars, to the Corporation's NEOs for the financial years ended April 30, 2012, 2013 and 2014.

Name and Principal Position	Year ended	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation ⁽⁴⁾ (\$)		Pension Value ⁽⁵⁾ (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans ⁽⁴⁾ (\$)	Long-term incentive plans ⁽⁵⁾ (\$)			
	April 30								
Christian Dupont ⁽⁶⁾ President & CEO	2014	Nil	N/A	115,000	N/A	N/A	N/A	116,400	231,400
	2013	Nil	N/A	Nil	N/A	N/A	N/A	143,250	143,250
	2012	Nil	N/A	120,000	N/A	N/A	N/A	131,125	251,125
Jacques Frigon CFO	2014	Nil	N/A	13,800	N/A	N/A	N/A	Nil	13,800
	2013	Nil	N/A	Nil	N/A	N/A	N/A	Nil	0
	2012	Nil	N/A	36,000	N/A	N/A	N/A	Nil	36,000
Rodrigue Tremblay CFO	2014	-	N/A	Nil	N/A	N/A	N/A	4,500	4,500
	2013	-	N/A	N/A	N/A	N/A	N/A	-	-
	2012	-	N/A	N/A	N/A	N/A	N/A	-	-

Notes:

- (1) The Corporation does not currently have any share-based award plans.
- (2) Option-based award amounts are fair value estimates of options granted during the year, calculated using the Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Black-Scholes model is an industry accepted valuation method.
- (3) There were no bonuses earned or paid for year ended April 30, 2014 to the NEOs.
- (4) The Corporation does not currently have any non-equity long-term incentive plans
- (5) The Corporation does not currently have a Pension and Retirement Plan.
- (6) This amount was paid to a private company controlled by the President and Chief Executive Officer, as administration consultant fees.
- (7) Mr. Jacques Frigon resigned as director and as CFO of the Corporation on March 14, 2014. He has been replaced as CFO of the Corporation by Mr. Rodrigue Tremblay. Mr. Tremblay is not a member of the Board of Directors.
- (8) On November 14, 2013, the Corporation realized a consolidation of its capital share on the basis of one new share for five shares.

Incentive Plan Awards

The following table sets forth, for each NEO, all option-based awards outstanding as at April 30, 2014. The Corporation does not currently have any share-based award plan.

Name	Option-Based Awards ⁽¹⁾⁽³⁾			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)
Christian Dupont	250,000	4.60	2015-01-28	0
	140,000	2.50	2015-12-24	0
	100,000	1.50	2016-12-20	0
	1,000,000	0.50	2018-08-16	0
Jacques Frigon	100,000	0.20	2014-03-19	0
	300,000	0.92	2015-01-28	0
	200,000	0.50	2015-12-24	0
	150,000	0.30	2016-12-20	0
Rodrigue Tremblay	0	N/A	N/A	0

Notes:

- (1) All options granted to the NEOs have been granted pursuant to the Corporation's stock option plan.
- (2) The market value of the Corporation's common shares was \$0.05, based on the closing market price of the Corporation's common shares on the TSX Venture Exchange on April 30, 2014.
- (3) Mr. Jacques Frigon resigned as director and CFO of the Corporation on March 14, 2014. He has been replaced as CFO of the Corporation by Mr. Rodrigue Tremblay. Mr. Tremblay is not a member of the Board of Directors.
- (4) On November 14, 2013, the Corporation proceed with a consolidation of its capital share on the basis of one new share for five shares.

The following table shows the option-based awards value vested for each NEO for the year ended April 30, 2014.

Name	Option-Based Awards - Value Vested During the Year ⁽¹⁾ (\$)
Christian Dupont	0
Jacques Frigon	0
Rodrigue Tremblay	0

Note:

- (1) The dollar amount is the aggregate value that would have been realized if the options under the options-based awards had been exercised on the vesting date, that is, the difference between the closing market price of the common shares of the Corporation on the TSX-Venture Exchange as at August 16, 2013 (\$0.04), and the exercise price (\$0.10).

Pension and Retirement Plans

The Corporation does not have any pension plan that provides for payments or benefits at, following, or in connection with retirement of any officer.

Termination and Change of Control Benefits

There are no contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in the NEO's responsibilities.

Compensation of Directors

During the financial year ended April 30, 2014, the Corporation did not pay any cash remuneration to its directors for their services in such capacity.

The following table summarizes the value of the options granted during the financial year ended April 30, 2014 to the directors of the Corporation, except the NEOs. The Corporation does not have any share-based award plan.

Name	Option-based Awards⁽¹⁾ (\$)	All other Compensation	Total (\$)
Geoffrey Carter	13,800	Nil	13,800
Mario Colantonio	13,800	Nil	13,800
Jonathan Challis	23,000	Nil	23,000

Notes:

- (1) Option-based award amounts are fair value estimates of options granted during the year, calculated using the Black-Scholes pricing model, whereby the fair value of stock options is determined on the grant date and recorded as compensation expense over the period that the stock options vest. The Black-Scholes model is an industry accepted valuation method.

The following table sets forth for each director, other than a director that is a NEO, all option-based awards outstanding as at April 30, 2014. The Corporation does not currently have any share-based award plan for its directors.

Name	Option-Based Awards ⁽¹⁾			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)
Geoffrey Carter	60,000	4.60	2015-01-28	0
	40,000	2.50	2015-12-24	0
	30,000	1.50	2016-12-20	0
	120,000	0.50	2018-08-16	0
Mario Colantonio	20,000	1.50	2014-05-13	0
	60,000	4.60	2015-01-28	0
	40,000	2.50	2015-12-24	0
	30,000	1.50	2016-12-20	0
Jonathan Challis	100,000	0.50	2018-07-02	0
	100,000	0.50	2018-08-16	0

Notes:

- (1) All options granted to the directors have been granted pursuant to the Corporation's stock option plan.
- (2) The market value of the Corporation's common shares was \$0.05, based on the closing market price of the Corporation's common shares on the TSX Venture Exchange on April 30, 2014.
- (3) On November 14, 2013, the Corporation proceed with a consolidation of its capital share on the basis of one new share for five shares.

The following table shows the option-based awards value vested for each director, except the NEOs, for the year ended April 30, 2014.

Name	Option-Based Awards - Value Vested During the Year ⁽¹⁾ (\$)
Geoffrey Carter	0
Mario Colantonio	0
Jonathan Challis	0

Notes:

- (1) The dollar amount is the aggregate value that would have been realized if the options under the options-based awards had been exercised on the vesting date, that is, the difference between the closing market price of the common shares of the Corporation on the TSX-Venture Exchange as at August 16, 2013 (\$0.04), and the exercise price (\$0.10).

Securities Authorized For Issuance Under Equity Compensation Plans

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

Plan Category	Number of Securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Number of securities remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column
Equity compensation plans approved by securityholders	3,200,000	\$1.49	1,242,107
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

Pursuant to its Stock Option Plan, the Corporation may, from time to time, grant to eligible directors, officers, employees and consultants of the Corporation, options to acquire common shares of the Corporation in such number, at such exercise prices, and for such terms as may be determined by the Board. The maximum number of common shares that may be reserved and issued under the Stock Option Plan shall not exceed 10% of the Corporation's issued and outstanding common shares. As at April 30, 2014, the Corporation had 44,421,072 common shares issued and outstanding.

The exercise price shall not be less than the price permitted by the TSX Venture Exchange or other regulatory body having jurisdiction. The maximum number of common shares which may be reserved for issuance to any one person pursuant to stock options during a twelve-month period may not exceed 5% of the common shares outstanding at the time of grant (on a non-diluted basis). No more than 2% of the issued shares of the Corporation may be granted to any one consultant in any 12 month period. No more than 2% of the issued shares of the Corporation may be granted to a person conducting investor relations activities in any 12 month period.

The Board may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist, to the exception of a restriction period of 4 months for the date of the grant as long as the Corporation is a Tier 2 issuer on TSX Venture Exchange. Options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than ¼ of the options vesting in any three month period.

All options must be exercised no later than 5 years from the date of the grant and they are not transferable other than by will or by the laws of descent and distribution. Unless otherwise decided by the Board, if a director, employee or consultant ceases to act as such for any reason other than death, each option held by such person will be exercisable during 90 days following the date on which such person ceased to be a participant under the Stock Option Plan but only up to and including the original option expiry date. Options granted to a person engaged in investor relations activities must expire within 30 days after this person ceases to be employed to provide such services.

Indebtedness of Directors and Executive Officers

No director, officer, employee or previous directors, officers or employees of the Corporation was indebted to the Corporation at any time in its last completed financial year in connection with the purchase of securities of the Corporation or for any other reason.

Director's and Officer's Liability Insurance

The Corporation maintains directors' and officers' liability insurance coverage against liability incurred by the directors and officers of the Corporation serving in such capacity. The current annual coverage limit for the Corporation is \$5,000,000. There is generally a deductible of \$25,000 unless provided otherwise under the insurance policy. The most recent annual premium paid by the Corporation under this coverage was \$12,459, no part of which is payable by the directors or officers of the Corporation.

Interests of Management of the Corporation and Others in Material Transactions

The directors, officers and principal shareholders of the Corporation have no direct or indirect interest in any material transaction involving the Corporation other than as otherwise disclosed herein.

During the year ended April 30, 2014, the Corporation incurred administrative consultant fees amounting to \$116,400, general administrative expenses amounting to \$23,630, exploration and evaluation expenses amounting to \$403,489 and rent fees of an amount of \$18,000 with a company controlled by the President of the Corporation.

During the year ended April 30, 2014, the Corporation has incurred exploration and evaluation expenses amounting to \$45,000 with a company controlled by a director of the Corporation.

During the year ended April 30, 2014, the Corporation has incurred administrative consultant fees of an amount of \$4,500 with the CFO and general administrative fees of an amount of \$666, professional fees of an amount of \$12,260 and share issuance fees of an amount of \$5,000 with a member of management.

D. AUDIT COMMITTEE INFORMATION

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Corporation, as a venture issuer, to disclose annually in its Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

Audit Committee Mandate and Terms of Reference for Chair

The mandate and responsibilities of the audit committee of the Corporation (the “Audit Committee”) is attached hereto as Schedule “A”.

Composition of the Audit Committee

The members of the Board that are members of the Audit Committee are Messrs. Christian Dupont (Chief Executive Officer), Geoffrey Carter and Mario Colantonio, a majority of whom are independent (in accordance with NI 52-110) and financially literate.

Relevant Education and Experience

All members have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements. The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below:

Geoffrey Carter

Mr. Carter is a mining engineer and has a B.Sc. degree in mining engineering from the University College Cardiff, University of Wales, Cardiff, Britain. Mr. Carter is a member of the Association of Professional Engineers of Manitoba and a registered Professional Engineer in the Province of Ontario. Since 1991, Mr. Carter has been employed by Broad Oak Associates, an association of mining industry professionals who assist in the preparation of technical reports and feasibility studies and the facilitation of corporate finance activities. Mr. Carter has been active in the mining industry since the late 1960s. He has held positions with Anglo American plc, Hudson Bay Mining & Smelting Co. Limited, Inspiration Mining Corporation (Vice-President). Mr. Carter has been a director and President of Ourominas Minerals Inc. Since December 2013, he is a director of Brunswick Resources Inc.

Christian Dupont

Mr. Dupont is a mining engineer and has a B.Eng. Degree from Nova Scotia Technical College, Halifax, Nova Scotia. Mr. Dupont has been active in the mining industry since the early 1970's. Mr. Dupont has occupied several positions in the mining field. He has been senior mining engineer for Noranda and Chief Engineer for Exall Resources Inc. Mr. Dupont was also president and director of Kayorum Gold Mines Ltd., from 1992 to 1997 and vice-president of the same company in 1998. Between 1997 and 1998, he was also a director of Fieldex Exploration Inc. From 1997 to 2001, he was responsible of project management for Luzenac Inc., and from 2001 to 2006 he was vice president and director of TOM Exploration Inc. From December 2010 to December 2013, he was a director of Abcourt Mines Inc. Since December 2013, he is a director, the President and CEO of Brunswick Resources Inc.

Mario Colantonio

Mr. Colantonio is a professional engineer and has been active in the mining industry since the mid 1980's. He received a B.SC. Degree in civil engineering from Queen's University, Kingston, Ontario in 1985. His primary focus has been the engineering and management for capital and maintenance projects for mine/mill infrastructures including feasibility studies. He has held senior engineering management positions for AMEC and is presently president of a privately owned engineering consulting firm. Since December 2013, he has been a director of Brunswick Resources Inc.

Audit Committee Oversight

At no any time since the commencement of the Corporation's financial year ended April 30, 2013, a recommendation of the Audit Committee to nominate or compensate an external auditor was not adopted by the Board of directors of the Corporation.

Pre-Approval of Policies and Procedures

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Corporation by its external auditors.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two financial years for audit and other fees are as follows:

Nature of Services	Fees Paid to Auditor in Year Ended April 30, 2014	Fees Paid to Auditor in Year Ended April 30, 2013
Audit Fees ⁽¹⁾	\$47,820	\$45,760
Audit-Related Fees ⁽²⁾	\$0	\$0
Tax Fees ⁽³⁾	\$0	\$3,640
All Other Fees ⁽⁴⁾	\$0	\$0

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption for Venture Issuers

The Corporation is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of its reporting obligations under NI 52-110.

E. CORPORATE DISCLOSURE

National Instrument 58-101 Disclosure of Corporate Governance Practices ("NI 58-101") requires issuers to disclose the corporate governance practices that they have adopted. Set forth below is a description of the Corporation's current corporate governance practices.

Board of Directors – *Disclose how the board of the directors (the Board) facilitates its exercise of independent supervision over management, including:*

- (a) *the identity of directors that are independent,*

Geoffrey Carter, Mario Colantonio and Jonathan Challis are independent directors.

- (b) *the identity of directors who are not independent, and the basis for that determination,*

Christian Dupont, President and CEO is not independent because of his officer duties for the Corporation.

Directorship – *If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.*

The only directors who are presently also directors of other issuers are:

- Christian Dupont, director of Brunswick Resources Inc.;
- Geoffrey Carter, director of Brunswick Resources Inc.
- Jonathan Challis, director of Rye Patch Gold Corp., West African Iron Ore and Quartet Resources Limited.

Orientation and Continuing Education – *Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors. Briefly describe what measures the Board takes to orient new directors regarding (i) the role of the Board, its committees and directors, and (ii) the nature and operation of the issuer's business.*

Management of the Corporation undertakes to provide a detailed report of the current status of the Corporation's operations to the Board at each meeting and a question and answer period follows. Management meets with new nominee directors to provide an informal verbal orientation to the Corporation's business and operations and information on the role and responsibilities of the directors and insiders of the Corporation.

Nomination of Directors – *Disclose what steps, if any, are taken to identify new candidates for Board nomination, including:*

- (i) *who identifies new candidates; and*
- (ii) *the process of identifying new candidates.*

Nomination and review of potential new directors is reviewed by the complete Board and the President.

Compensation – *Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:*

- (i) *who determines compensation, and*
- (ii) *the process of determining compensation.*

The Board does not have a compensation committee. The current size of the Board allows the entire Board to take the responsibility for considering compensation for the Corporation's executive officers and directors. Except for the issuance of incentive stock options from time to time, the Corporation does not compensate its directors for their capacity as such. The Corporation provides the CEO with consulting fees which represent his compensation for services rendered during the year, on an hourly rate basis. CEO's consulting fees are reviewed annually by the Board. There is no employment agreement with the CEO nor any officer of the Corporation.

Other Board Committees – *If the Board has standing committees other than the audit, compensation and nominating committees identify the committees and describe their function.*

The Board does not have any standing committee other than the Audit Committee.

Assessments – *Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees and its individual directors are performing effectively.*

No formal steps are in place; however, performance is reviewed informally. The Board believes that its small size facilitates informal discussions and the evaluation of members' contributions with that framework.

F. ADDITIONAL INFORMATION

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Any shareholders wishing to obtain a copy of the Corporation's financial statements and any Management Discussion & Analysis may write to the President of the Corporation at its head office and request a copy of same.

G. DIRECTORS' APPROVAL

The contents of this Circular, and the sending thereof to shareholders and to the appropriate governmental agencies, have been approved by the Board of Directors of the Corporation.

Rouyn-Noranda, September 8, 2014.

(s) Christian Dupont
Christian Dupont, President

SCHEDULE “A”

EXPLOR RESOURCES INC. (THE “CORPORATION”)

AUDIT COMMITTEE CHARTER

This Charter was adopted in conformity with *Rule 52-110 on the Audit Committee* (“Rule 52-110”). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee (hereinafter described as the “Audit Committee” or the “Committee”) and describes the qualifications and status required to become a member. The Committee reviews its charter periodically and, as required, makes recommendations to the Board of Directors (hereinafter described as the “Board of Directors” or the “Board”) as to any changes to be made.

I. Overall Purpose - Role of Audit Committee

The Committee is a committee of the Board to whom the Board has delegated the responsibility of reviewing the financial reporting process. The Audit Committee has a general mandate to assist the Board in fulfilling its responsibilities with regard to the financial information of the Corporation and its accounting practices, mainly in the process of reporting and disclosure. In this context, the Committee:

- ensures the reliability and the integrity of the Corporation’s financial statements and financial information, as well as other information made public by the Corporation;
- supervises the management of accounting systems and internal controls;
- assists in ensuring proper communications between the directors and the external auditors;
- supports the independence of the external auditors;
- supports the duties of the external directors in facilitating in-depth discussions between the directors members of the Audit Committee, Management and the external auditors;
- supervises the activities of the external auditors appointed to carry out an audit or to perform other related services; and
- recommends to the Board the appointment of the external auditors and their remuneration.

The Committee has the authority to examine and make recommendations on any question brought to its attention. The Committee, in carrying out this mandate, has access, upon request, to all relevant information concerning the Corporation’s operations, whether this information is in the hands of the Corporation, a subsidiary or a related person.

The Committee may, at his own discretion, use the services of outside consultants.

2. Committee Responsibilities - Audit

In general, the Committee’s mandate is to supervise the reporting and disclosure processes of the Corporation and to report on its activities to the Board.

The Committee must ascertain that adequate procedures are in place to review the public disclosure by the Corporation of financial information extracted or derived from its financial statements and must periodically assess the adequacy of these procedures.

The Committee must establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;

and the confidential, anonymous submission by employees of the Corporation, if any, of concerns regarding questionable accounting or auditing matters.

And, more particularly:

2.1 Financial Statements, Notes, Management Reports and Press Releases

2.1.1 The Committee examines the interim financial statements and the audited financial statements at year-end before making them public, as well as the documents prepared for electronic deposit with regulatory authorities. The Committee may make whatever changes it deems necessary to the financial statements. Otherwise, the Committee recommends the approval of these financial statements by the Board.

2.1.2 The Committee examines the notes to the financial statements and all management reports accompanying the financial statements distributed to the shareholders and/or to the regulatory authorities, as well as press releases issued along with the financial statements, notes and related comments. The Committee makes all the modifications deemed necessary to these documents. Otherwise, it recommends the approval of these documents by the Board.

2.2 External auditors

2.2.1 The Committee makes recommendations to the Board with regard to the selection of external auditors, their remuneration and their reappointment, as the case may be. It reviews the audit plan with the external auditors and defines the specific needs of the Committee. The Committee receives the auditors' report with the accompanying notes.

2.2.2 The Committee meets with the external auditors before the beginning of their mandate and, at this meeting, examines and approves the scope of the audit plan as well as the audit fees allocated to the work to be done.

2.2.3 At that time, the Committee analyzes the external auditors' independence, reviews services other than audit services to be performed by the external auditors and determines if the nature and extent of these services may or may not be prejudicial to their independence. The Committee reviews and approves the hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

2.2.4 The Committee also meets with the external auditors at the meeting planned for the examination of the year-end audited financial statements and, on this occasion, receives the post-audit report that will mainly deal with:- The acceptability and quality of the Corporation's accounting principles;

- The quality of the accounting systems and internal controls put in place by Management to ensure the integrity of the accounting and financial information;
- The recommendations made by the auditors to Management with respect to the accounting systems and internal controls, and Management's response thereto;
- The assessment of the measures put in place to deal with the risks faced by the Corporation when, in the auditors' opinion, certain factors could have a material impact on the results of the Corporation; and
- The difficulties encountered by the external auditors in the course of their mandate, in particular any restrictions imposed by Management or serious accounting questions over which they disagreed with Management.

2.2.5 At these meetings, the Audit Committee may meet with the auditors, out of the presence of the Corporation's Management and the internal directors. In fact, the Committee has direct

access to the external auditors and Management and may hold private and informal discussions with each of the parties, whenever deemed opportune in carrying out their mandate.

2.2.6 Also, the Management of the Corporation and the external auditors may, if necessary, ask to meet the members of the Committee to review with them all transactions, procedures or other questions which, in their opinion, are relevant to the mandate of the Committee.

2.2.7 The Audit Committee must approve, in advance, all the services that are not related to the audit that the external auditors do for the Corporation and its subsidiaries.

2.2.8 The Committee examines the conditions of the mandate of the external auditors and verifies that the fees are appropriate and reasonable for the audit and approves unpaid fees.

2.2.9 The Committee is in charge of resolving disagreements between the management of the Corporation and the external auditors concerning the financial reporting.

3. Responsibilities of the Committee - Conflicts of Interest

Every year or more often, as required, the Committee examines:

3.1 Any situation that has been brought to its attention that may cause a conflict of interest and, more particularly, the approval of the financial conditions applicable within the framework of contracts with persons or companies related to or affiliated with the Corporation, to ensure that these contracts are as advantageous to the Corporation as if they had been negotiated with other parties.

3.2 Any eventual violation of a contract that is brought to its attention and which could have an impact on the financial statements.

4. Appointment of Auditors - Other Resources

In performing its duties, the Committee may hire all necessary resources.

Each year, after having verified the qualifications of the incumbent or potential auditors, the Committee must recommend to the Board the appointment of external auditors. At its first meeting of the year in March, the Committee must consider whether it is appropriate, for the next financial year, to proceed with a call for tenders from various auditing firms or to renew the mandate of the auditors in place.

If Management proposes a change of external auditors, the Committee must be informed of the reasons for such a change and, in all cases, approve the information to be made public in accordance with the regulations.

5. Composition

The Audit Committee consists of a minimum of three directors appointed by the Board at the first meeting following the annual general meeting of the shareholders.

The members of the Committee are in majority independent directors, as defined in Rule 52-110. All members of the Committee are financially literate.

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

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are

generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

6. Chairman of the Committee

The Chairman of the Committee is selected by the members of the Committee unless he is appointed by the Board; in the case of absence, unavailability or if he vacates his post, the chairmanship will be assumed by a member chosen by the Committee.

7. Number of Meetings

The Committee will meet at least four (4) times per year or more, if necessary. If necessary, meetings can be held by conference call.

A member of the Committee may convene a special meeting.

8. Organization

The Committee appoints a Secretary.

Before each Committee meeting, the Secretary distributes a written agenda to the members. The Secretary will also maintain minutes of each meeting.

9. Quorum and Decisions

A majority of Committee members shall constitute a quorum.

Provided there is a quorum, decisions are made by a vote of the majority of the members present.

10. Report

The Committee reports to the Board of Directors. The minutes of a Committee meeting constitute a report in itself.