



MAUDORE MINERALS LTD.

**NOTICE AND MANAGEMENT PROXY CIRCULAR
FOR THE 2014
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

TO BE HELD AT

**the offices of
Blake, Cassels & Graydon LLP at
2200 – 600 de Maisonneuve Blvd. West
Montreal, Québec**

**May 22, 2014
11:00 a.m. (Montreal time)**

There are a number of important matters that each shareholder should carefully consider in connection with the annual and special meeting of shareholders.

The board of directors of Maudore Minerals Ltd. unanimously recommends that shareholders **VOTE FOR** all matters set out in the enclosed form of proxy.

April 22, 2014

MAUDORE MINERALS LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual and special meeting (the “**Meeting**”) of the shareholders of Maudore Minerals Ltd. (the “**Corporation**”) will be held at the offices of Blake, Cassels & Graydon LLP at 2200 – 600 de Maisonneuve Blvd. West, Montreal, Québec H3A 3J2 on Thursday, May 22, 2014, at 11:00 a.m. (Montreal time) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2013, together with the report of the independent auditors thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and to authorize the board of directors to fix their remuneration;
4. to consider and, if deemed advisable, pass, with or without variation, an ordinary resolution of the shareholders of the Corporation other than FBC Holdings S.à.r.l. (“**FBC**”) and its affiliates approving certain financing and debt restructuring transactions among the Corporation, Aurbec Mines Inc. and FBC, the full text of which is set forth in Appendix A to the accompanying management proxy circular dated April 22, 2014 (the “**Circular**”); and
5. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting.

The audited consolidated financial statements of the Corporation and the independent auditor’s report to the shareholders for the year ended December 31, 2013, as well as the accompanying management discussion and analysis, are posted on the Corporation’s website at www.maudore.com and on the SEDAR website at www.sedar.com.

Holders of common shares on April 22, 2014 at 5:00 p.m. (Montreal time) will be entitled to receive this notice and to vote at the Meeting either in person or by proxy. The attached Circular explains how shareholders may exercise their right to vote.

For inquiries about the information contained in the Circular or assistance in completing your form of proxy, please contact:

CST Trust Company:

by mail at: CST Trust Company
320 Bay Street, B1 Level
Toronto, ON M5H 4A6

or by telephone: within Canada and the United States: 1-800-387-0825
and from all other countries: 416-682-3860

or by fax: within Canada and the United States: 1-866-781-3111
and from all other countries: 416-368-2502

or by e-mail: inquiries@canstockta.com

Shareholders who are unable to attend the Meeting are entitled to be represented at the Meeting by proxy and are requested to date, sign and return the enclosed form of proxy in the envelope provided for that purpose or,

alternatively, to vote by telephone or over the Internet, the whole in accordance with the instructions on the enclosed form of proxy. In order to be valid, proxies must be received at the Toronto office of the Corporation's transfer agent, CST Trust Company, 320 Bay Street, B1 Level, Toronto, Ontario M5H 4A6, not later than 5:00 p.m. (Montreal time) on May 20, 2014, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Montreal) before any adjourned Meeting.

Dated at Rouyn-Noranda, Québec, this 22nd day of April, 2014.

By Order of the Board of Directors

(s) **Julie Godard**
Julie Godard
Corporate Secretary

MAUDORE MINERALS LTD.

MANAGEMENT PROXY CIRCULAR

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 22, 2014**

GLOSSARY OF TERMS

“1997 Stock Option Plan” has the meaning ascribed to such term under “*Statement of Executive Compensation - Securities Authorized for Issuance under Equity Compensation Plan*”.

“2013 Stock Option Plan” has the meaning ascribed to such term under “*Statement of Executive Compensation - Securities Authorized for Issuance under Equity Compensation Plan*”.

“Audit Committee” means the Audit and Risk Committee of the Corporation.

“Aurbec” means Aurbec Mines Inc., a wholly-owned subsidiary of Maudore.

“Aurbec Board” means the board of directors of Aurbec, as the same is constituted from time to time.

“Aurbec Restructuring Agreement” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Other Maudore Creditors and Other Aurbec Creditors*”.

“Aurbec Share Issuance” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“Beneficial Shareholders” has the meaning ascribed to such term under “*General Proxy Information - Advice to Beneficial Holders of Shares*”

“Board” or “Maudore Board” means the board of directors of Maudore, as the same is constituted from time to time.

“Canadian Securities Laws” means the applicable securities laws in each of the provinces and territories of Canada, together with all other applicable securities rules, regulations, forms, published instruments, policies, bulletins and notices made thereunder, as now in effect and as they may be promulgated or amended from time to time.

“Circular” means this management proxy circular.

“Common Shares” means the common shares in the capital of Maudore.

“Compensation Shares” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“Consensual Restructuring” means the consensual restructuring of the debts of Maudore and Aurbec owing to FBC, to the Other Maudore Creditors and to the Other Aurbec Creditors.

“Credit Facility” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Background to the FBC Agreement*”.

“Cyrus” means Cyrus Capital Partners L.P.

“Debt Conversion Shares” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“Disinterested Shareholders” means the Shareholders other than FBC and its affiliates.

“Fairness Advisor” means Clarus Securities Inc.

“Fairness Opinion” means the opinion dated March 13, 2014 prepared by the Fairness Advisor in connection with the FBC Agreement, attached to this Circular as Appendix C.

“FBC” means FBC Holdings S.à.r.l.

“FBC Agreement” means the agreement dated as of March 13, 2014 entered into among Maudore, Aurbec and FBC, pursuant to which FBC agreed to provide additional funding to Maudore and Aurbec and to restructure the terms of the existing indebtedness owing by Maudore and Aurbec to FBC.

“FBC Transactions” means the transactions contemplated by the FBC Agreement.

“FBC Warrants” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Information Regarding FBC*”.

“Maudore” or the “Corporation” means Maudore Minerals Ltd.

“Maudore Restructuring Agreement” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Other Maudore Creditors and Other Aurbec Creditors*”.

“Meeting” means the annual and special meeting of the Shareholders to be held on May 22, 2014.

“Named Executive Officer” has the meaning ascribed to such term under “*Statement of Executive Compensation - Compensation of Named Executive Officers*”.

“NAP” means North American Palladium Ltd.

“Notice of Meeting” means the notice of the Meeting that accompanies this Circular.

“Order” has the meaning ascribed to such term under “*Business of the Meeting – Election of Directors - Cease Trade Orders, Bankruptcies, Penalties or Sanctions*”.

“Other Aurbec Creditors” means the two major secured creditors of Aurbec who are currently owed, in the aggregate, approximately \$3,093,336.

“Other Maudore Creditors” means the two major unsecured creditors of Maudore who are currently owed, in the aggregate, approximately \$2,032,462.

“Promec” means Entrepreneur minier Promec Inc.

“Promec Hypothec” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Background to the FBC Agreement*”.

“RCGT” means Raymond Chabot Grant Thornton, LLP, Chartered Accountants.

“Regulation 43-101” means Regulation 43-101 *respecting Standards of Disclosure for Mineral Projects*.

“Regulation 52-110” means Regulation 52-110 *respecting Audit Committees*.

“Regulation 58-101” means Regulation 58-101 *respecting Disclosure of Corporate Governance Practices*.

“Regulation 61-101” means Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions*.

“Restructuring Approval Resolution” means the ordinary resolution approving the FBC Transactions to be voted upon at the Meeting by the Disinterested Shareholders, attached to this Circular as Appendix A.

“Rights Offering” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Background to the FBC Agreement*”.

“Royalty Claim” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“SEDAR” means the System for Electronic Document Analysis and Retrieval.

“SEDI” means the System for Electronic Disclosure by Insiders.

“Senior Secured Loan” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“Senior Security” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Terms of the FBC Agreement*”.

“Shareholder” or “Shareholders” means a holder of Common Shares.

“Shareholder Approval Requirement” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Securities Law Considerations*”.

“TSXV” means the TSX Venture Exchange.

“Units” has the meaning ascribed to such term under “*Interest of Informed Persons in Material Transactions*”.

“Valuation Requirement” has the meaning ascribed to such term under “*Approval of Various Financing and Debt Restructuring Transactions with FBC - Securities Law Considerations*”.

MAUDORE MINERALS LTD.

MANAGEMENT PROXY CIRCULAR

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 22, 2014

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the **solicitation of proxies by or on behalf of the management of Maudore** to be used at the Meeting or any adjournment thereof to be held at the time and place for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail but proxies may also be solicited personally by directors, officers or regular employees of the Corporation. Those persons will not receive any extra compensation for those activities. The total cost of the solicitation will be borne by the Corporation.

Appointment and Revocation of Proxies

The persons named in the accompanying form of proxy are officers and directors of the Corporation. **However, each Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons specified in the form of proxy to attend and act on behalf of that Shareholder at the Meeting. Such right may be exercised by inserting the name of such person in the blank space provided in such form of proxy and depositing the completed proxy with CST Trust Company, by mail to or in person at Proxy Department, 320 Bay Street, Banking Hall, Toronto, Ontario M5H 4A6, by fax to 416-368-2502, or toll free in North America to 1-866-781-3111, not later than 5:00 p.m. (Montreal time) on May 20, 2014, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Montreal) before any adjourned Meeting.** The chairman of the Meeting may waive this time limit for receipt of proxies by CST Trust Company without notice.

It is important to ensure that any other person appointed attends the Meeting and is aware that he or she has been appointed to vote the shares. Proxy holders should, upon arrival at the Meeting, present themselves to a representative of CST Trust Company.

A Shareholder who has given a proxy may revoke it by an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing and depositing it either (i) at the registered office of the Corporation to the attention of the Corporate Secretary no later than the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the chairman of the Meeting on the day of, but prior to the commencement of the Meeting or any adjournment thereof. A Shareholder may also revoke a proxy by delivering another form of proxy duly signed and bearing a later date, by depositing it in the above manner or in any other manner permitted by law.

Voting of Proxies

The persons named in the enclosed form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **Where such a Shareholder fails to specify a choice, the persons named in the enclosed form of proxy will vote the Common Shares represented by such proxy FOR each of the matters referred to in this Circular.**

There are four ways for registered Shareholders to vote their Common Shares. A Shareholder is a registered Shareholder if his or her name appears on his or her share certificate. A registered Shareholder may: (i) vote in person at the Meeting; (ii) complete and sign the enclosed form of proxy and appoint one of the named persons or another person the Shareholder chooses to represent him and to vote his shares at the Meeting and mail or fax it; (iii) vote electronically on the Internet; or (iv) vote by telephone. Shareholders should make

sure that the person they appoint is aware that she or he is appointed and attends the Meeting. Completing, signing and returning the form of proxy does not preclude a Shareholder from attending the Meeting in person. If a Shareholder does not wish to attend the Meeting or does not wish to vote in person, the Shareholder's proxy will be voted or withheld from voting, in accordance with the instructions specified on his or her proxy, on any ballot that may be called at the Meeting. If the Shareholder is a corporation or other legal entity, the form of proxy must be signed by an officer or attorney authorized by such corporation or other legal entity.

To vote by telephone, registered Shareholders should call 1-866-221-8278. To vote electronically, registered Shareholders must go to the following Internet site: www.proxypush.ca/MAO, and enter their personalized 12-digit e-voting control number printed on their form of proxy and follow the instructions on the screen.

If a registered Shareholder wishes to attend the Meeting and wishes to vote her or his shares in person at the Meeting, it is not necessary for the registered Shareholder to complete or return the form of proxy. Registered Shareholders' votes will be taken and counted at the Meeting. Registered Shareholders should register with the Corporation's transfer agent, CST Trust Company, upon arrival at the Meeting.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and to other matters which may properly come before the Meeting. At the time of this Circular, the management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting other than the matters referred to in the Notice of Meeting.

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 ("**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 his or her 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 such 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 or her voting instructions, the Beneficial Shareholder should contact his or her 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 his or her 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.

If you are a Beneficial Shareholder and CST Trust Company has sent these proxy materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf. By choosing to send these proxy 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. Please complete and return the materials in accordance with the instructions provided by CST Trust Company.

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.

Record Date

The directors have fixed April 22, 2014 as the record date for purposes of determining the Shareholders entitled to receive notice of and to vote at the Meeting.

Voting Securities and Principal Holders

As at April 22, 2014, there were 47,241,522 Common Shares issued and outstanding. Each Common Share entitles the holder thereof on record as of April 22, 2014, to one vote. In accordance with the provisions of the *Business Corporations Act* (Ontario), the Corporation will prepare a list of holders of Common Shares on the record date. Each holder of Common Shares named in the list will be entitled to one vote per Common Share shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the management of the Corporation, as at April 22, 2014, no person beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the issued and outstanding securities of the Corporation, except Seager Rex Harbour and Cyrus, who have declared in SEDI that they were controlling 9,406,762 Common Shares (representing 19.91% of the outstanding Common Shares) and 7,254,505 Common Shares (representing 15.36% of the outstanding Common Shares), respectively. Mr. Harbour also declared he was controlling 2,242,478 Common Share purchase warrants of the Corporation and Cyrus declared it was controlling 3,627,252 Common Share purchase warrants of the Corporation. Such securities are controlled by Mr. Harbour indirectly through City Securities Ltd. and The Harbour Foundation and those controlled by Cyrus are controlled through FBC. Dr. Daniel Harbour, a director of the Corporation who is seeking re-election at the Meeting, is a trustee of The Harbour Foundation.

As of the date hereof, the directors and executive officers of the Corporation as a group own beneficially, directly or indirectly, or exercise control or direction over, approximately 1,304,948 Common Shares (representing approximately 2.76% of the outstanding Common Shares).

Interest of Certain Persons in Matters to be Acted Upon

At the date of this Circular, to the best of its knowledge and except as disclosed in this Circular, management of the Corporation is not aware of any director or executive officer, present or nominated hereunder, or any associate or affiliate of such persons, who, since the beginning of the Corporation's last financial year, has an interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

BUSINESS OF THE MEETING

1. Presentation of Audited Financial Statements

The audited consolidated financial statements of the Corporation for the year ended December 31, 2013, together with the auditor's report thereon, will be presented before the Meeting. The audited consolidated financial statements have been mailed to Shareholders who have informed the Corporation that they wish to receive a copy of such documents. No vote will be taken on the audited consolidated financial statements and receipt of such financial statements will not constitute approval or disapproval of any matters referred to therein. The audited consolidated financial statements may be consulted on the SEDAR website at www.sedar.com and on the Corporation's website at www.maudore.com.

2. Election of Directors

The Board currently consists of seven members. The terms of office of each of the current directors of the Corporation expires at the Meeting. Mr. Kevin Tomlinson will not stand for re-election as a director of the Corporation at the Meeting, thereby reducing the number of nominees for election as directors to six, all of whose names are listed below. **The persons named in the enclosed form of proxy intend to vote FOR the election of each of the nominees listed below unless the Shareholder signing a proxy has indicated his or her desire to abstain from voting regarding the election of directors.** Each director will hold office until the next annual meeting of shareholders of the Corporation or until the election of his successor, unless he resigns or his office becomes vacant by removal, death or other cause.

All of the six nominees are currently directors of the Corporation and four of them are “independent” within the meaning of Regulation 52-110.

The following table sets forth the name, province or state and country of residence, office held with the Corporation, date on which each first became a director, principal occupation, business or employment during the last five years and number of Common Shares held by each of the nominees as directors of the Corporation as of April 22, 2014. The information on the nominees in the following table has been furnished by the respective nominees individually.

Name, Province or State and Country of Residence	Offices Held	Term	Principal Occupation	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
George Fowlie ⁽¹⁾ Ontario, Canada	Director, Deputy Chairman and Director of Corporate Development	July 2012 - Present	Managing Director of Grf Capital Advisors Inc. (private company providing advisory and corporate development services to a variety of companies) from February 2008 to present.	110,000
Dr. Daniel Harbour ^{(2) (4)} England, United Kingdom	Director and Chairman of the Corporate Governance, Compliance and Nominating Committee	July 2012 - Present	Associate Professor of Cognitive Science of Language at Queen Mary University of London from July 2012 to present; Director of HDG Ltd. since March 2005 (private company); Trustee of The Harbour Foundation since March 2008.	0
Keith Harris ^{(1) (2) (3)} Ontario, Canada	Director and Chairman of the Audit Committee	July 2012 - Present	President of Naiscoot Capital Corporation (advisory and corporate director services company) from January 2011 to present; Director and Chair of the audit committee of Diamond Estates Wines and Spirits Inc. (wine producer and spirits distributor) from January 2011 to present; Director and member of audit committee of Smart Employee Benefits Inc. (group benefits insurance processing company) from January 2011 to present; member of the Advisory Board of Edgecrest Capital Holdings (boutique investment bank) from September 2013 to present; and President and Chief Financial Officer of Stifel Nicolaus Canada (investment bank) from January 2008 to December 2010.	27,500
Robert L. Pevenstein ^{(1) (3)} Maryland, United States	Director and Chairman of the Compensation and Human Resources Committee	November 2010 -Present	President of Princeville Partners LLC. Chairman of Copper Mesa Mining Corporation (junior exploration mining company) from 2004 to present; Director of QuadraMed Corporation (private equity firm involved in healthcare information technology) from 2003 to 2010; Chairman of QuadraMed Corporation from	16,000

Name, Province or State and Country of Residence	Offices Held	Term	Principal Occupation	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly
			2005 to 2010 and Chairman of EMIDA Corporation (private telecommunication company) from May 2012 to June 2013 and Director of EMIDA Corporation from May 2012 to present.	
Gregory Struble ⁽⁴⁾ Michigan, United States	Director, President and Chief Executive Officer	June 2013 - Present	Executive Vice President and Chief Operating Officer of North American Palladium Ltd. (precious metals mining company) from December 2010 to May 2013; Executive Vice President and Chief Operating Officer of Stillwater Mining Company (precious metals mining company) from February 2008 to August 2010; President and Chief Executive Officer of the Corporation and of Aurbec since June 2013.	0
Raynald Vézina ^{(2) (3) (4)} Québec, Canada	Director and Chairman of the Health, Safety, Environment and Sustainability Committee	July 2012 - Present	Consultant Mining Engineer. Director and member of Audit Committee of Richmond Mines Inc. (gold mining company) from October 2006 to May 2012; Director of Matamec Explorations Inc. (junior exploration mining company) from October 2004 to June 2008 and from October 2012 to present.	11,000

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance, Compliance and Nominating Committee.
- (3) Member of the Compensation and Human Resources Committee.
- (4) Member of the Health, Safety, Environment and Sustainability Committee.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

The foregoing information, not being within the knowledge of the Corporation, has been furnished by the respective directors. Except as set forth below, no director of the Corporation is, or has been within the last ten years, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Robert Pevenstein is a director of Copper Mesa Mining Corporation, a reporting issuer in the provinces of British Columbia, Ontario and Québec. A cease trade order was issued in April 2010 against that reporting issuer for failure to file its annual and interim financial statements, which cease trade order is still in effect.

Except as set forth below, no director of the Corporation:

- (a) is, or has been within the last ten years, a director or executive officer of any company that, while that 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;
- (b) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision regarding the Corporation.

Keith Harris was a director of Frontline Technologies, which was voluntarily placed into bankruptcy in January 2013. George Fowlie was a director of March Entertainment Inc., which was voluntarily placed into bankruptcy in July 2013.

3. Appointment of Auditors

RCGT have been the auditors of the Corporation since 2001. Management proposes that RCGT be reappointed as the auditors of the Corporation for the financial year ending December 31, 2014 and that the Board be authorized to fix their remuneration.

The persons named in the enclosed form of proxy intend to vote FOR the reappointment of RCGT as independent auditors of the Corporation and the authorization for the Board to fix their remuneration unless the Shareholder specifies that his or her form of proxy be withheld from voting thereon.

4. Approval of Various Financing and Debt Restructuring Transactions with FBC

General

On March 13, 2014, Maudore and its wholly-owned subsidiary, Aurbec, entered into the FBC Agreement with FBC pursuant to which FBC agreed to provide additional funding to Maudore and to Aurbec and to restructure the terms of the existing indebtedness owing by Maudore and Aurbec to FBC.

Background to the FBC Agreement

In March 2013, Maudore acquired Aurbec (formerly "NAP Quebec Mines Ltd.") from NAP. The purchase price for such acquisition was financed through a senior secured credit facility in the amount of \$22 million provided to Maudore by FBC (the "**Credit Facility**"), bearing interest at the rate of 15% per annum, payable quarterly in arrears, and maturing on March 22, 2016. In order to secure repayment of the Credit Facility, FBC was granted a first-ranking charge over all of Maudore's and Aurbec's present and future personal property and material real property, including specified mining rights.

The decline in gold prices experienced through 2013 created a strain on Maudore's cash resources and caused Maudore to experience difficulties in dealing with its creditors, including those of Aurbec. As a result, on August 14, 2013, Promec registered a Notice of Legal Hypothec (the "**Promec Hypothec**") against Aurbec's Vezza project and Sleeping Giant property. Promec later filed a petition in bankruptcy against

Aurbec on August 23, 2013. This petition in bankruptcy was ultimately abandoned by Promec on November 28, 2013, in connection with which the Promec Hypothec was discharged and replaced by a hypothec granted by Aurbec over its Vezza property in favour of Promec and the remaining Other Aurbec Creditor in order to secure the obligations of Aurbec under the Consensual Restructuring described below.

While vigorously working to have the petition in bankruptcy dismissed, Maudore initiated the negotiation of the Consensual Restructuring with FBC, the Other Maudore Creditors, the Other Aurbec Creditors (including Promec) and other stakeholders with a view to implementing its ongoing business plan consisting of the recommencement of mining operations at its Sleeping Giant property.

On September 30, 2013, in order to preserve cash while the negotiation of the Consensual Restructuring continued, Maudore elected to defer the payment of the interest due to FBC pursuant to the Credit Facility. On October 2, 2013, Maudore received a letter from FBC regarding defaults under the Credit Facility and putting Maudore on notice that, while it was still prepared to proceed with the Consensual Restructuring, FBC would move to enforce its security if agreements to implement the Consensual Restructuring were not signed by the Other Maudore Creditors and the Other Aurbec Creditors by October 7, 2013. This deadline was subsequently extended to October 15, 2013, on which date such agreements were entered into by Maudore and Aurbec. One element of such agreements was that Maudore was to carry out a rights offering (the "**Rights Offering**") in favour of the Shareholders, with a portion of the proceeds to be received by Maudore from the Rights Offering to be used to repay amounts owing to the Other Maudore Creditors and the Other Aurbec Creditors.

It became necessary, however, to revise the terms of the Consensual Restructuring and to discontinue the Rights Offering mainly as a consequence of Maudore having projected an increase in the time and development costs required for new stoping at the Sleeping Giant mine, elements that were not reflected in its initial payment schedules. The primary driver for this change was the positive drill results obtained from ongoing underground diamond drilling being conducted. Maudore had successfully achieved its initial drilling plan goals and exceeded new ounce growth targets. However, the majority of these new ounces were revealed to be proportionally in the deeper levels of the mine. As a consequence, it became apparent that additional mine development and extended ramp up time was needed for these new stoping areas to reach positive cash flows, resulting in a significant change to the overall financing needs of Maudore and Aurbec in order to bridge the consolidated operations to that point.

The entering into of the FBC Agreement is an essential element in arriving at a revised Consensual Restructuring.

Terms of the FBC Agreement

The specific terms of the FBC Agreement are as follows:

Immediate Funding

FBC agreed to immediately make available to Aurbec a \$4 million senior secured loan (the "**Senior Secured Loan**") upon the execution of definitive documentation by the parties. This documentation was executed by the parties on March 24, 2014. The funds obtained by Aurbec as a result of the Senior Secured Loan are to be applied for general corporate purposes which are acceptable to FBC, until such time as Maudore obtains the approval of the Disinterested Shareholders to the overall terms of the FBC Agreement at the Meeting. The Senior Secured Loan bears interest at the rate of 15% per annum and is secured by a first charge on all of the assets of Aurbec (subject to the prior charge on the Vezza property in favour of Promec and Gestion Abitibi Inc.) as well as a secured guarantee provided by Maudore (the "**Senior Security**"). Aurbec has agreed to pay a fee of 5% per annum on any undrawn amounts under the Senior Secured Loan.

FBC also agreed to continue to allow Maudore to draw on the balance remaining of the original amount of approximately \$3.3 million held in the interest escrow account established pursuant to the Credit Facility. These funds are to be used for general corporate purposes, subject to the prior approval of FBC. FBC had been allowing Maudore to access these funds for working capital purposes since the time that Maudore discontinued the Rights Offering.

Should the Disinterested Shareholders not approve the terms of the FBC Agreement, this would constitute a default under the Senior Secured Loan, rendering it immediately repayable to FBC, and would similarly create

a default under the Credit Facility.

Other Features Subject to Disinterested Shareholder Approval

Upon the approval by the Disinterested Shareholders of the terms of the FBC Agreement at the Meeting, the following additional elements of the FBC Agreement will be implemented:

- FBC will pay to Aurbec the sum of \$4 million, which sum will be applied by Aurbec to the repayment of the then outstanding balance of the Senior Secured Loan, with the remaining balance available to be used for general corporate purposes. In exchange for this \$4 million payment, (i) Aurbec will issue to FBC such number of common shares in its share capital as will result in FBC holding a 49.9% equity interest in Aurbec (with Maudore retaining a 50.1% equity interest) (the “**Aurbec Share Issuance**”) and (ii) Aurbec will grant to FBC a royalty claim (the “**Royalty Claim**”).

Under the terms of the Royalty Claim, Aurbec will be required to pay to FBC, within one year, the sum of \$4 million plus interest at the rate of 15% per annum. Payment under the Royalty Claim will be made by Aurbec through a combination of the following sources of cash: (A) 1% of any gold sales generated by Aurbec and (B) any cash balances in excess of \$1 million (which excesses will be deposited into a blocked account in favour of FBC and be balanced on a bi-weekly basis). Moreover, in the event of a change of control of Maudore or Aurbec (other than in favour of FBC), the Royalty Claim will become immediately repayable at the option of FBC for an amount equal to 101% of the amount otherwise payable thereunder at such time. The obligations of Aurbec under the Royalty Claim will be guaranteed by Maudore and secured against the assets of Maudore and Aurbec.

- FBC will make available to Aurbec the sum of \$2 million in the form of a senior secured loan, with the funds to be used by Aurbec for general corporate purposes, subject to the prior approval of FBC. This senior secured loan will bear interest at the rate of 15% per annum and will be secured by the Senior Security. Aurbec will pay a fee of 5% per annum on any undrawn amounts under this senior secured loan.
- FBC will provide funding sufficient to satisfy Aurbec’s new environmental bonding requirements in 2014 of approximately \$0.9 million.
- The approximately \$2.2 million in interest currently outstanding under the Credit Facility will be converted into principal under the Credit Facility.
- Maudore will be permitted to satisfy the ongoing interest owing on the Credit Facility for 2014 either by making cash payments or by converting such interest into principal under the Credit Facility.
- FBC will convert a minimum of \$2 million and a maximum of \$4 million (the exact amount to be determined by FBC at its option) of outstanding principal owing under the Credit Facility, or of other debt owing to it, into Common Shares at a conversion price of \$0.09 per Common Share, representing a minimum of 22,222,222 and a maximum of 44,444,444 Common Shares (the “**Debt Conversion Shares**”).
- Maudore will undertake not to issue any additional Common Shares without the approval of FBC prior to the implementation of the Consensual Restructuring.
- In consideration of this restructuring, Maudore will issue to FBC an aggregate of 15.35 million Common Shares (the “**Compensation Shares**”).

The implementation of the FBC Agreement remains subject to the execution of formal documentation.

Aurbec Shareholders' Agreement

Concurrently with the implementation of the FBC Agreement, Maudore and FBC will enter into a shareholders' agreement in order to govern their relationship as shareholders of Aurbec. It is expected that the shareholders' agreement will include provisions regarding the management and operations of Aurbec and the transfer of shares of Aurbec by either party.

Information Regarding FBC

FBC is a special purpose investment vehicle which is a wholly-owned subsidiary of Cyrus Opportunities Master Fund II, Ltd., CRS Master Fund, Ltd., Crescent 1, L.P., Cyrus Select Opportunities Master Fund, Ltd. and Cyrus Europe Master Fund, Ltd., each of which are private investment funds engaged in the business of acquiring, holding and disposing of investments in various companies. FBC has advised Maudore that as at April 22, 2014, it, together with its associates and affiliates, owns, directly or indirectly, or exercised control or direction over (i) 7,254,505 Common Shares, representing 15.36% of the issued and outstanding Common Shares, (ii) 880,000 warrants which are each exercisable into one Common Share at an exercise price of \$1.08, and (iii) 2,747,252 warrants which are each exercisable into one Common Share at an exercise price of \$1.13. Assuming the exercise of all of these warrants held by FBC (the "**FBC Warrants**"), FBC would hold an aggregate of 21.51% of the issued and outstanding Common Shares on a partially-diluted basis.

Further, assuming the implementation of the terms of the FBC Agreement and the issuance to FBC of the maximum number of Debt Conversion Shares and of the Compensation Shares, FBC would hold an aggregate of 67,048,949 Common Shares, representing 62.64% of the issued and outstanding Common Shares, or 70,676,201 Common Shares representing 63.87% of the issued and outstanding Common Shares on a partially-diluted basis also assuming the exercise of the FBC Warrants.

Other Maudore Creditors and Other Aurbec Creditors

It is not a condition to the implementation of the FBC Transactions that Maudore and Aurbec enter into agreements for the consensual restructuring of the debts owing to the Other Maudore Creditors and the Other Aurbec Creditors. However, the FBC Agreement does provide that any recourse that may be taken by any of those creditors to formally put Maudore or Aurbec in default of their repayment obligations towards them will constitute an event of default pursuant to the FBC Agreement and the Credit Agreement.

In February 2014, an agreement was reached with the Other Aurbec Creditors (the "**Aurbec Restructuring Agreement**") which provides that the approximately \$3.4 million owing to them at that time will be paid in monthly instalments of approximately \$85,000, with a final balloon payment of approximately \$2.2 million to be made in March 2015.

As regards the Other Maudore Creditors, Maudore is currently in discussions with them regarding the proposed terms upon which the indebtedness owing to them may be settled. Further details regarding the terms of the agreement reached between Maudore and the Other Maudore Creditors, if any (the "**Maudore Restructuring Agreement**") will be disclosed by Maudore as appropriate.

Effect of the FBC Agreement

Together with the implementation of the Aurbec Restructuring Agreement and of the Maudore Restructuring Agreement, if any, the implementation of the FBC Agreement is expected by management to improve the financial position of Maudore and Aurbec through a combination of debt reduction and cash flow enhancement. Management further expects that this additional funding will enable it to execute upon a sustainable financing plan for developing the full potential of the Sleeping Giant mine. In August of 2013, an initial 20,000 meter exploration drilling program was initiated at the Sleeping Giant mine, the goals of which were to test the potential of the extensions to the historic high grade zones (the Shaft Shadow) as well as the new zones identified at depth in the mine. Initial results of this program were announced in an October 24, 2013 press release outlining the mineralization encountered in the extensions to the historic high grade 30 zone. A subsequent press release was issued on March 3, 2014 to discuss the extension of the new 785N zone at depth. A new Regulation 43-101 compliant resource report is scheduled for completion at the end of the second quarter of 2014 to formally report the new resources identified from this initial drilling program. At the 2013 year-end, the internal unaudited results were consistent with the Corporation's goal of finding 50,000 new resource ounces per year. A portion of these new ounces are incorporated into the Corporation's

budgeting assumptions going forward.

The budget for 2014 estimates a gradual increase in ounce production as the Sleeping Giant mine transitions from the remnant stoping areas into the new mining zones at depth and as extensions to the historic high grade zones materialize from the renewed drilling above. Target ounce production for the year is estimated to be at approximately 20,000 ounces at cash costs expected to be in the range of \$1,000 by year-end. Capital expenses contemplated are \$8.6 million for the development of new zones, development diamond drilling and mill and tailings upgrades. Additional revenues are projected from the implementation of toll milling agreements as available. To achieve these results, the number of active stopes will increase from two at the start of the year to up to a maximum of eight by the middle of the third quarter of 2014. The key will be in the anticipated larger size and higher grade of the new zone stopes which are expected to provide a higher degree of continuity over the smaller more costly remnant stoping areas used during the start of the mining transition. With the new financing and the current forecast, the Corporation expects to be cash positive by year end.

As a result of the Aurbec Share Issuance which forms part of the FBC Agreement, Maudore's equity interest in Aurbec will be reduced from 100% to 50.1%, which will result in Maudore's equity interest in the Sleeping Giant mine and other mining properties held by Aurbec being reduced by a corresponding amount. The following table lists those other exploration-stage mining properties held by Aurbec and their value as reflected in the consolidated financial statements of Maudore for the financial year ended December 31, 2013.

Name of Property	Value as Reflected in December 31, 2013 Consolidated Financial Statements
Discovery (100%)	\$2,102,527
Flordin (100%)	\$2,401,148
Veza (100%)	- ¹
Other properties (from 42% to 100%)	\$16,072

Note:

- (1) As the Veza property was placed in care and maintenance, its book value is nil.

The pro forma consolidated statements of financial position and of comprehensive loss of Maudore as at and for the year ended December 31, 2013 set forth in Appendix B to this Circular present the financial situation of Maudore, on a consolidated basis, after giving effect to the FBC Agreement.

Opinion of the Fairness Advisor

The Fairness Advisor was engaged to provide the Maudore Board and the Aurbec Board its opinion as to the fairness of the FBC Transactions, from a financial point of view, to Maudore and to Aurbec. On March 13, 2014, the Fairness Advisor delivered the Fairness Opinion to the Maudore Board and the Aurbec Board. The Fairness Opinion provides that, as of March 13, 2014, the FBC Transactions are fair, from a financial point of view, to Maudore and to Aurbec.

The full text of the Fairness Opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken in connection with the Fairness Opinion, is attached to this Circular as Appendix C. The Fairness Advisor provided its opinion for the information and assistance of the Maudore Board and the Aurbec Board in connection with their consideration of the FBC Agreement. The Fairness Opinion addresses only the fairness of the FBC Transactions, is for the information of the Maudore Board and the Aurbec Board in connection with their consideration of the FBC Transactions only, and is not a recommendation as to how any Shareholder should vote with respect to the Restructuring Approval Resolution. Shareholders are urged to read the entire Fairness Opinion. In providing the Fairness Opinion, the Fairness Advisor relied upon, and assumed the completeness, accuracy and fair representation of, all financial and other information, data, advice, opinions and representations obtained by it from public sources or provided by or on behalf of Maudore or otherwise obtained by the Fairness Advisor pursuant to its engagement. The terms of the FBC Agreement were determined through negotiations between Maudore, Aurbec and FBC and were not determined by the Fairness Advisor. The Fairness Opinion does not address the relative merits of the FBC Transactions and any alternatives to the FBC Transactions. This summary of the Fairness Opinion is qualified in its entirety by reference to the full text of the Fairness Opinion and the Shareholders are urged to read the Fairness Opinion in its entirety.

The preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Therefore, the analyses of the Fairness Advisor must be considered as a whole and any attempt to select portions of such analyses or of the factors considered, without considering all of the analyses employed and factors considered together, could create an incomplete view of the process underlying the Fairness Opinion.

Under its engagement letter with the Fairness Advisor, Maudore agreed to pay the Fairness Advisor a fee for the delivery of the Fairness Opinion and Maudore also agreed to indemnify the Fairness Advisor and certain related persons against certain liabilities in connection with its engagement.

The Fairness Advisor is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate finance, mergers and acquisitions, equity sales and trading and investment research. The professionals primarily involved in the preparation of the Fairness Opinion include senior officers of the Fairness Advisor who are experienced in restructuring, merger, acquisition and divestiture matters and have been involved in a significant number of transactions involving fairness opinions and valuations of private and publicly traded companies. The form and content of the Fairness Opinion were approved for release by the Fairness Committee of the Fairness Advisor.

The Fairness Advisor is not an insider, associate or affiliate of Maudore or of any of its associates or affiliates. The Fairness Advisor has acted from time to time as an advisor, financial, underwriter or otherwise, to Maudore and its associates or affiliates in connection with other transactions. However, the Fairness Advisor has not entered into any other arrangements with Maudore or any of its affiliates with respect to any future dealings.

Securities Law Considerations

The following is a brief summary of the considerations applicable to the FBC Agreement and the FBC Transactions under Canadian Securities Laws.

Status under Canadian Securities Laws

Maudore is a reporting issuer in all of the provinces of Canada, and the Common Shares currently trade on the TSXV under the symbol “MAO”.

Exemption from Minority Approval and Valuation Requirement under Regulation 61-101

Maudore is subject to Regulation 61-101. Regulation 61-101 is intended to regulate insider bids, issuer bids, business combinations and related party transactions in order to ensure that, in the context of such transactions, all securityholders are treated in a manner that is fair and perceived to be fair by requiring, among other things, enhanced disclosure, review and approval processes.

As a result of the shareholdings of FBC in Maudore as described under the heading “Business of the Meeting – Approval of Various Financing and Debt Restructuring Transactions with FBC – Information Regarding FBC”, FBC is a “related party” of Maudore within the meaning of Regulation 61-101. Therefore, the FBC Transactions are “related party transactions” that are regulated by Regulation 61-101.

As such, Regulation 61-101 requires Maudore to obtain disinterested shareholder approval (the “**Shareholder Approval Requirement**”) with respect to certain of the FBC Transactions and a formal valuation (the “**Valuation Requirement**”) with respect to certain of the FBC Transactions.

However, Maudore is relying upon the financial hardship exemption from the Shareholder Approval Requirement and the Valuation Requirement contained in subsections 5.5(g) and 5.7(1)(e) of Regulation 61-101 with respect to the entering into of such FBC Transactions, on the basis that:

- (i) Maudore is in serious financial difficulty;
- (ii) the FBC Transactions are designed to improve the financial position of Maudore; and
- (iii) the Maudore Board, consisting entirely of directors who are independent of FBC,

acting in good faith, has determined that clauses (i) and (ii) above apply, and that the terms of the FBC Transactions are reasonable in the circumstances of Maudore.

TSXV Requirement for Disinterested Shareholder Approval

Assuming completion of the FBC Transactions, and, more particularly, the issuance to FBC of the maximum number of Debt Conversion Shares and of the Compensation Shares, FBC will hold more than 20% of Maudore's issued and outstanding Common Shares. As a result, Maudore is required under Section 3.7 of TSX Venture Exchange Corporate Finance Manual Policy 4.3 – *Shares for Debt* to obtain shareholder approval for the implementation of the FBC Transactions. Accordingly, the implementation of the FBC Transactions must be approved by a majority of the votes cast by the Disinterested Shareholders.

Furthermore, the Aurbec Share Issuance comprised within the FBC Transactions constitutes a “reviewable transaction” under Section 5 of TSX Venture Exchange Corporate Finance Manual Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets*, similarly requiring approval by a majority of the votes cast by the Disinterested Shareholders.

Recommendation of the Maudore Board

In the course of their evaluation of the FBC Agreement, the Maudore Board consulted with Maudore's senior management and external legal counsel and with the Fairness Advisor, and reviewed such information pertaining to the operations and the financial situation of Maudore and Aurbec as it considered relevant to its analysis. In particular, but without limitation, the Maudore Board considered the following factors:

Financial Hardship. Without the funding and other financial accommodations to be provided to Maudore and Aurbec through the FBC Agreement, both on an interim basis pending the approval of the Disinterested Shareholders and subsequent to the receipt of such approval, these entities would be unable to meet their ongoing working capital requirements.

Sufficiency of the FBC Agreement. The additional working capital to be made available pursuant to the FBC Agreement is expected by management to be sufficient to enable the execution of the development plan for the Sleeping Giant property and the bringing of such mine to a cash flow positive stage.

Alternatives to the FBC Agreement. Based upon prior experience and a review of current market conditions, there is a very low likelihood of any other financing sources being made available to Maudore or Aurbec in the near future on terms more favourable than those of the FBC Agreement, especially given the existing first ranking security position of FBC.

Value for Shareholders. Were the FBC Agreement not to be approved by the Disinterested Shareholders, this would result in Maudore and/or Aurbec being in default of their obligations under the Credit Agreement and of their payment obligations towards other creditors. Should any of those creditors seek to exercise their rights to obtain repayment of their debts, it is likely that Maudore and/or Aurbec would seek protection under the *Companies' Creditors Arrangement Act* (Canada) or the *Bankruptcy and Insolvency Act* (Canada) and that in such a scenario the resulting value of the equity shareholdings of the Shareholders would be reduced to virtually nil.

Fairness Opinion. The Fairness Advisor has provided an opinion that, as of March 13, 2014, and based upon and subject to the scope of the review, analysis undertaken and various assumptions, limitations and qualifications set forth in its opinion, the FBC Transactions are fair, from a financial point of view, to Maudore and to Aurbec.

The foregoing summary of the information and factors considered by the Board is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the FBC Agreement, the Board did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. The Board's recommendation was made after considering all of the above-noted factors and in light of the Board's knowledge of the business and financial condition of Maudore, and was also based on the advice of the financial advisors and legal advisors to the Board. In addition, individual members of the Board may have assigned different weights to different factors.

On the basis of the foregoing, the Board unanimously recommends that the Disinterested Shareholders vote FOR the Restructuring Approval Resolution.

Shareholders' Approval

Pursuant to the FBC Agreement and the requirements of the TSXV, the Restructuring Approval Resolution must be passed by a majority of the votes cast by Disinterested Shareholders present in person or represented by proxy at the Meeting and entitled to vote thereon. See "Business of the Meeting – Securities Law Considerations – TSXV Requirement for Disinterested Shareholder Approval".

5. Other Matters

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

STATEMENT OF EXECUTIVE COMPENSATION

Compensation of Named Executive Officers

The following information sets forth, to the extent required by applicable securities legislation, all annual and long-term compensation for services in all capacities to the Corporation and Aurbec for the three most recent completed years in respect to the Chief Executive Officer, the Chief Financial Officer and other executive officers, other than the Chief Executive Officer and the Chief Financial Officer, who have received in return for services rendered to the Corporation or its subsidiary in any capacity, a total compensation exceeding \$150,000 individually (collectively, the "Named Executive Officers").

Summary Compensation Table

Name and Principal Position	Year	Salary	Share-Based Awards	Option-Based Awards ⁽¹⁾	Non-Equity Incentive Plan Compensation		All other Compensation	Total Compensation
					Annual Incentive Bonus ⁽²⁾	Long-Term Incentive Plan		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Gregory Struble ⁽³⁾ President and Chief Executive Officer	2013 2012 2011	193,667 - -	n/a	- - -	150,000 - -	n/a	6,700 - -	350,367 - -
Kevin Tomlinson ⁽⁴⁾ President and Chief Executive Officer	2013 2012 2011	- - -	n/a	- 228,250 -	- - -	n/a	285,421 133,611 -	285,421 361,861 -
George Fowle ⁽⁵⁾ Deputy Chairman and Director of Corporate Development	2013 2012 2011	- 10,306 -	n/a	- 124,500 -	- - -	n/a	282,000 46,600 -	282,000 181,406 -
Dr. Howard Carr ⁽⁶⁾ President and Chief Executive Officer	2013 2012 2011	9,000 - -	n/a	- - -	- - -	n/a	71,459 136,111 -	80,459 136,111 -
Claudine Bellehumeur ⁽⁷⁾ Chief Financial Officer	2013 2012 2011	114,604 - -	n/a	- - -	47,869 - -	n/a	90,000 - -	252,473 - -
Ingrid Martin ⁽⁸⁾ Chief Financial Officer	2013 2012 2011	- - -	n/a	- - -	- - -	n/a	120,156 - -	120,156 - -

Name and Principal Position	Year	Salary	Share-Based Awards	Option-Based Awards ⁽¹⁾	Non-Equity Incentive Plan Compensation		All other Compensation	Total Compensation
					Annual Incentive Bonus ⁽²⁾	Long-Term Incentive Plan		
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Rene Amstutz ⁽⁹⁾ Chief Financial Officer	2013	-		-	-		750	750
	2012	-	n/a	-	-	n/a	6,000	6,000
	2011	-		28,100	-		6,000	34,100
Denis Blondin ⁽¹⁰⁾ Vice-President, Operations	2013	147,462		-	47,380		99,270	294,112
	2012	-	n/a	-	-	n/a	-	-
	2011	-		-	-		-	-

Notes:

- (1) The Black-Scholes methodology was used in determining the fair value of options awarded. At the date of the grant, the weighted-average fair value of stock options granted was \$0.83 per option in 2012 and \$2.81 per option in 2011. The following hypotheses were taken into consideration:

	2012	2011
Risk-free interest rate	1.37%	2.56%
Expected average life	5 yr	5 yr
Expected weighted volatility	62.3%	49.8%
Expected dividend yield	0%	0%

There was no grant of stock options to the Named Executive Officers in 2013.

- (2) The current Named Executive Officers are eligible for an annual incentive bonus based on the assessment of achievements with respect of corporate and personal objectives.
- (3) Mr. Struble was employed by the Corporation as Chief Executive Officer as of June 11, 2013 for an annual base salary of \$350,000. He receives a car allowance of \$1,000 per month. In addition to the amounts disclosed above, Mr. Struble was reimbursed for travelling expenses that were considered taxable for \$4,639. Prior to June 11, 2013, Mr. Struble was the Chief Operating Officer of NAP and President of Aurbec (formerly "NAP Quebec Mines Ltd.") but was paid by NAP; this remuneration is not included in the table above.
- (4) Mr. Tomlinson is Chairman of the Board of the Corporation since July 2012 and he acted as Chief Executive Officer of the Corporation from February 13 to June 11, 2013. He has been receiving consulting fees of \$10,417 per month for this role since July 2012, which amount is included in the compensation indicated in "All other Compensation". Mr. Tomlinson was paid \$85,000 in 2012 for his additional work for the Corporation before he was appointed Chairman. Mr. Tomlinson was paid \$150,000 in 2013 for his additional work for the Corporation during the acquisition of Aurbec.
- (5) Mr. Fowlie is a director of the Corporation since July 2012 and he received director's fees of \$10,306 indicated under "Salary". He became Deputy Chairman and Director of Corporate Development at the beginning of December 2012; no director's fees were paid to him for that month. He has been receiving consulting fees of \$6,000 per month for this role since December 2012, which amount is included in the compensation indicated in "All other Compensation". Mr. Fowlie was paid \$40,600 in 2012 for his additional work for the Corporation before he became Deputy Chairman and Director of Corporate Development. Mr. Fowlie was paid \$150,000 in 2013 for his additional work for the Corporation during the acquisition of Aurbec. In April 2014, the Board approved the payment of additional fees of \$60,000 to Mr. Fowlie relating to additional work for the Corporation during the Consensual Restructuring.
- (6) Dr. Carr was appointed Chief Executive Officer on July 19, 2012 and resigned on February 13, 2013. The compensation to Dr. Carr was paid as consulting fees, except for the \$9,000 in director's fees indicated under "Salary" which he received from February 13, 2013 to June 26, 2013.
- (7) Mrs. Bellehumeur was appointed Chief Financial Officer of the Corporation on June 26, 2013. From March 23, 2013, the date of Aurbec's acquisition, until June 26, 2013, she was employed as Manager of finance and administration of Aurbec. She received a payment of \$90,000 under her previous employment agreement with Aurbec following the change of control of Aurbec from NAP to Maudore. Mrs. Bellehumeur has signed a new employment agreement with Maudore as of January 1, 2014 increasing her annual salary to \$191,477, with a car allowance of \$1,000 per month. This agreement also incorporates retention payments totalling \$100,000, provided that she continues her employment with the Corporation for a three-year period.

- (8) Mrs. Martin acted as Chief Financial Officer of the Corporation from February 13 to June 26, 2013. As a consultant, Mrs. Martin also received fees from the Corporation in 2012 and 2013 for services rendered when she was not acting as Chief Financial Officer of the Corporation and these fees are not included in the table above. Professional fees of \$16,875 have been paid to a company controlled by Ingrid Martin while she was the Chief Financial Officer for her staff, and these fees are not included in the table above.
- (9) Mr. Amstutz was appointed Chief Financial Officer in October, 2010 and resigned on February 13, 2013. The compensation to Mr. Amstutz was paid as consulting fees.
- (10) Mr. Blondin was appointed Vice-President, Operations of the Corporation on July 11, 2013. From March 23, 2013, the date of Aurbec's acquisition, until July 11, 2013, he was employed as Manager of the Québec operations of Aurbec. He received a payment of \$90,000 under his previous employment agreement with Aurbec following the change of control from NAP to Maudore. He used a corporate car and the taxable benefit on it was \$3,735. The Corporation contributed to a group insurance on his behalf in the amount of \$5,535. Mr. Blondin has signed a new employment agreement with Aurbec as of January 1, 2014 providing for an annual salary of \$189,520 with the use of a vehicle. This agreement also incorporates retention payments totalling \$100,000, provided that he continues his employment with Aurbec for a three-year period.

Compensation Discussion and Analysis for the Financial Year ended December 31, 2013

In order to assist the Board in fulfilling its oversight responsibilities, the Board has established a Compensation and Human Resources Committee, which was comprised of Raynald Vézina, Robert Pevenstein and Daniel Harbour until June 26, 2013 and is currently comprised of Robert Pevenstein, Raynald Vézina and Keith Harris. All the members of the Compensation and Human Resources Committee are independent members of the Board within the meaning of Regulation 52-110.

The Compensation and Human Resources Committee endeavours to ensure that the Corporation's compensation policies attract and retain highly qualified and experienced executive officers while compensating them according to their personal performance and the overall performance of the Corporation.

The Compensation and Human Resources Committee makes recommendations to the Board with regard to the following elements that form the compensation of the Named Executive Officers: (i) the base salary; (ii) the stock options; and (iii) the annual cash bonus. At this time, the Corporation does not have a non-equity long-term incentive plan and does not grant any form of share-based awards to its officers. A competitive remuneration is aimed at attracting and retaining skilled persons necessary to achieve corporate objectives. The grant of stock options is aimed at motivating and rewarding senior officers to increase shareholder value by the achievement of long-term corporate strategies and objectives, while it does not require cash disbursement from the Corporation.

The Compensation and Human Resources Committee relies on the knowledge and experience of its members to set appropriate levels of compensation for the Named Executive Officers. During the financial year ended December 31, 2013, a search and scale wage assessment for the Chief Executive Officer position was provided by The Human Well Inc., an independent consulting firm, which was used by the Compensation and Human Resources Committee to determine the remuneration for the President and Chief Executive Officer. Fees of \$4,700 were paid to The Human Well Inc. for its mandate.

For the financial year ended December 31, 2013, traditional performance standards, such as corporate profitability, were not considered by the Compensation and Human Resources Committee to be appropriate in the evaluation of Named Executive Officers' performance. Compensation was based, in part, on industry compensation practices, trends in the mining industry as well as achievement of the Corporation's business plans. Performance was largely dependent on elements beyond the control of management, such as the price of gold, market conditions and the results of the exploration programs. In evaluating the performance of management, the Compensation and Human Resources Committee also considered the following corporate-level goals: (i) obtaining financing, as required; (ii) the cost-effective development of the mining assets; (iii) where and how exploration is conducted; (iv) the quality and quantity of the exploration properties; and (v) the marketing of the Corporation.

Base Salary

The Named Executive Officers' base salaries are reviewed annually by taking into consideration the competitive market conditions, the level of responsibilities specific to the position, the experience, skill and competencies of the individual, the complexity of work performed, the time commitment and performance of

each Named Executive Officer as well as the overall financial performance of the Corporation. Compensation is proposed by the Compensation and Human Resources Committee on the basis of its opinion as to a fair and responsible compensation package, taking into account the potential contribution of each Named Executive Officer to the Corporation's long-term growth and the Compensation and Human Resources Committee members' knowledge of remuneration practices in Canada.

Stock Options

The grant of options to purchase Common Shares pursuant to the 2013 Stock Option Plan is an integral component of the compensation package of the Named Executive Officers. The Compensation and Human Resources Committee believes that the grant of stock options to senior officers and Common Share ownership by such officers serves to motivate achievement of the Corporation's long-term strategic objectives and that the result will benefit all shareholders. Stock options are awarded by the Board based upon the recommendation of the Compensation and Human Resources Committee, which bases its decisions upon the participant's position, responsibility levels and contribution to the Corporation's objectives. The Compensation and Human Resources Committee considers the overall number of stock options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of stock options and the size of such grants. See under "Securities Authorized for Issuance under Equity Compensation Plan".

Annual Incentive Bonus

The payment of an annual cash bonus represents a short-term incentive to the Named Executive Officers and aims to encourage the realization of performance objectives by each Named Executive Officer.

Bonus compensation is a common practice in public companies. The payment of a bonus is deemed necessary in order to stay competitive with other mining companies which pay similar compensation. The competition for qualified executives in the mining industry has been and remains challenging, thus necessitating the need for such a bonus.

In determining annual bonuses, the members of the Compensation and Human Resources Committee focused on the performance and productivity level of each individual Named Executive Officer, with the objective of granting annual bonus levels that would align the total compensation package of each individual Named Executive Officer with those of comparable mining companies.

The Chairman establishes performance goals for the Chief Executive Officer with the help of the Compensation and Human Resources Committee. Bonus objectives of other executive officers are determined mutually between the executives and their immediate superiors. At the end of the year, the same parties determine how effectively the objectives were met and a bonus percentage is ascribed. There is also a discretionary component for performance achieved in areas not covered by the pre-determined objectives but deemed to be value-added nonetheless for the Corporation.

The Chief Executive Officer's potential bonus level of up to 60% of his base salary for the financial year ended December 31, 2013, was linked to the achievement of the following objectives: 1) (15%) ensure that the Corporation's health and safety programs as well as environmental compliance systems are above industry standards to ensure the "social license" to operate; 2) (50%) manage the project development of Vezza and the future re-start of the Sleeping Giant mine to generate positive cash flow in the most efficient manner possible, while maintaining all requisite regulatory and governmental compliance; 3) (25%) increase shareholder value through effective short-term strategies and long-term growth of the Corporation's exploration portfolio; and 4) (10%) develop the Corporation's human resources capabilities to provide high quality management staffing with an integrated succession plan and culture of excellence.

The Chief Financial Officer's potential bonus level of up to 40% of her base salary for the financial year ended December 31, 2013, was linked to the achievement of the following objectives: 1) (30%) develop a working tool for cash flow management of all areas of the business; 2) (10%) actively seek out business development opportunities for synergistic additions to the core business of the Corporation; 3) (25%) work with procurement to develop cost savings synergies and strategic alliances to reduce supply costs and costs of services; 4) (20%) develop and promote best practice for communication and information exchanges between the accounting department and operations and gain a better understanding and generate operational ownership and accountability for cost control; and 5) (15%) improve human resources management and function to develop leadership and communication plans and improve employee satisfaction and loyalty.

The Vice-President, Operations' potential bonus level of up to 40% of his base salary for the financial year ended December 31, 2013, was linked to the achievement of the following objectives: 1) (15%) implement sustainable and cost effective management systems for employee health and safety as well as environmental compliance to ensure that the Corporation has reduced employee injuries and zero environmental violations; 2) (30%) manage the project development of Vezza to positive cash flow by the end of 2013; 3) (20%) engineer the re-entry plan back into the Sleeping Giant mine to capitalize on the new resource potential identified through the re-interpretation of the geologic data base and the accelerated exploration drilling plan; 4) (25%) meet the cash costs target per ounce and tonne in the Corporation's operational sites; and 5) (10%) optimize the organizational chart to allow team development for growth and succession planning.

During the last half of 2013, the Corporation's goals shifted dramatically with the change in the gold price and the corresponding re-alignment of the Corporation's operating plan to mitigate this impact. The Compensation and Human Resources Committee revised the corporate goals for 2013 to include: the efficient mine out of the developed Vezza resources, the implementation of alternate business strategies for revenue generation and the rapidity to assess the higher grade ore potential at the Sleeping Giant mine. Despite the exceptional circumstances and challenges faced by the Corporation and considering the strategic initiatives that were taken in the last six months of the year to mitigate those challenges, the members of the Compensation and Human Resources Committee felt that the executive officers were entitled to a portion of their bonuses.

Incentive Plan Awards

The following table indicates all option awards outstanding as at December 31, 2013 to each Named Executive Officer. There are no share-based awards for any director or officer and the Corporation did not grant any option-based awards to any of its directors and Named Executive Officers during its last financial year.

Name and Position	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾
Rene Amstutz Chief Financial Officer until February 13, 2013	-	-	-	-
Ingrid Martin Chief Financial Officer from February 13 to June 26, 2013	-	-	-	-
Claudine Bellehumeur, Chief Financial Officer since June 26, 2013	-	-	-	-
Howard Carr Chief Executive Officer until February 13, 2013	-	-	-	-
Kevin Tomlinson Chief Executive Officer from February 13 to June 11, 2013	275,000	2.20	07-12-2017 ⁽²⁾	-
Gregory Struble, Chief Executive Officer since June 11, 2013	-	-	-	-
Denis Blondin Vice-President, Operations since July 11, 2013	-	-	-	-

Name and Position	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾
George Fowle Deputy Chairman and Director of Corporate Development since December 4, 2012	150,000	2.20	07-12-2017	-

Notes:

- (1) The value of unexercised in-the-money stock options is calculated using the closing price of the Common Shares on the TSXV on December 31, 2013 (\$0.095), less the respective exercise prices of the options.
- (2) Mr. Tomlinson acted as Chief Executive Officer from February 13 to June 11, 2013. He kept his stock options thereafter as he remained Chairman of the Board and a director of the Corporation.

Pension Plan and Benefits

The Corporation's executive officers benefit program includes medical, dental, optical and short-term disability and life insurance. The Corporation also offers to the executive officers a pension plan providing for a contribution of the Corporation of up to 5% of their base salary to be deposited into a retirement savings plan.

Termination and Change of Control Benefits

In May 2013, the Corporation entered into an employment agreement with Gregory Struble, President and Chief Executive Officer, for an initial term beginning on June 11, 2013 and ending on December 31, 2015. Under this agreement, if the Corporation terminates the employment of Mr. Struble without just cause or Mr. Struble terminates his employment with good reason, he will receive a lump sum amount equal to the salary he would receive during twelve (12) months based on his rate of salary as at the date notice of termination or resignation is given and will be entitled to the payment of accrued vacation and unpaid expenses and of any bonus payable in respect of the prior year, as well as to continued participation in the Corporation's group benefit plans over this same period, to the extent permitted by the applicable plans and policies. In the event of a termination by Mr. Struble for good reason or by the Corporation other than for just cause in the twelve (12) months following a change of control, his entitlements will be based on a twenty-four (24) month period rather than a twelve (12) month period.

The estimated amount that could be paid by the Corporation in these given circumstances, assuming that the termination occurred on the last working day of the most recent financial year of the Corporation, is \$459,423 or \$809,423 in the case of a change of control.

In April 2014, the Corporation entered into employment agreements, effective as of January 1, 2014, with Claudine Bellehumeur, Chief Financial Officer, and Denis Blondin, Vice-President, Operations, for an initial term of six (6) months, following which the agreements will be automatically renewed for a one-year term unless the Corporation provides a notice at least thirty (30) days before the expiry of the six-month initial term.

Under these agreements, if the Corporation terminates the employment of the Named Executive Officer without just cause or the Named Executive Officer terminates his or her employment with good reason, the Named Executive Officer will be entitled to receive a lump sum corresponding to the amount equal to twelve (12) months of his or her annual salary and the payment of accrued vacation and of any bonus payable in respect of the prior year, as well as to continued participation in the Corporation's group benefit plans over this same period, to the extent permitted by the applicable plans and policies. In the event of a termination by the Named Executive Officer for good reason or by the Corporation other than for just cause in the twelve (12) months following a change of control, the Named Executive Officer's entitlements will be based on an eighteen (18) month period rather than a twelve (12) month period.

The estimated amount that could be paid by the Corporation in these given circumstances, assuming that the termination occurred on the last working day of the most recent financial year of the Corporation is, \$211,927 for Mrs. Bellehumeur and \$247,287 for Mr. Blondin or, in the case of a change of control, \$285,572 and \$342,047 respectively.

Directors' Compensation

The Compensation and Human Resources Committee is responsible for developing the directors' compensation plan which is approved by the Board. The objectives of the directors' compensation plan are to compensate the directors in a manner that is cost effective for the Corporation and competitive with other comparable companies and to align the interests of the directors with the shareholders.

Each director, except the Chief Executive Officer, the Chairman of the Board and the Deputy Chairman, receives a monthly retainer of \$2,000. No additional amount is paid to the directors for their participation on committees of the Board. However, an additional amount of \$5,000 is paid annually to the Chair of the Audit Committee and of \$2,500 to the Chairs of the other committees.

The following table summarizes the compensation paid or payable during the financial year ended December 31, 2013 to the directors of the Corporation, except the Named Executive Officers. The Corporation did not grant any option-based awards to the directors and executive officers during such financial year.

Name	Fees Earned (\$)	All other Compensation (\$) ⁽¹⁾	Total (\$)
Daniel Harbour	26,496	-	26,496
Keith Harris	29,004	2,125	31,129
Robert Pevenstein	26,184	-	26,184
Raynald Vézina	25,248	3,400	28,648

Note:

- (1) Non-executive directors are remunerated on an hourly or daily basis for their work performed on behalf of the Corporation, except work performed only in their capacity as directors.

The following table indicates all option-based awards to the Corporation's directors, except the Named Executive Officers, outstanding as at December 31, 2013. There are no share-based awards for any director of the Corporation.

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾
Daniel Harbour	75,000	2.20	07-12-2017	-
Keith Harris	75,000	2.20	07-12-2017	-
Robert Pevenstein	50,000	6.20	10-11-2015	-
	75,000	6.54	28-04-2016	-
	75,000	2.20	07-12-2017	-
Raynald Vézina	75,000	2.20	07-12-2017	-

Note:

- (1) The value of unexercised in-the-money options is calculated using the closing price of the Common Shares on the TSXV on December 31, 2013 (\$0.095), less the respective exercise prices of the options.

Securities Authorized for Issuance under Equity Compensation Plan

The following table provides certain information as of December 31, 2013, being the Corporation's most recently completed financial year, with respect to any compensation plan under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	1,865,000	\$3.28	1,024,568
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	1,865,000	\$3.28	1,024,568

The Corporation had a Common Share stock option plan in effect since 1997 (the “**1997 Stock Option Plan**”), as amended from time to time, under which a maximum of 5,000,000 Common Shares were reserved for issuance thereunder. Since the inception of the 1997 Stock Option Plan, the Corporation has issued 1,834,432 Common Shares pursuant thereto. In May 2013, the Board adopted a new Common Share stock option plan (the “**2013 Stock Option Plan**”) which was conditionally approved by the TSXV subject to the filing with the TSXV of the final documentation pertaining thereto. Stock options outstanding under the 1997 Stock Option Plan were transferred to and are governed by the 2013 Stock Option Plan. The following is a summary of the main provisions of the 2013 Stock Option Plan.

Eligible Participants

Persons who may receive share purchase options under the Plan are the officers, directors, employees and consultants of the Corporation or of its subsidiary.

Shares Reserved for Issuance

The maximum number of Common Shares that may be issued under stock options granted under the 2013 Stock Option Plan, from time to time, shall not exceed 10% of the issued and outstanding Common Shares. As of December 31, 2013 (and as at the date of this Circular), the maximum number of Common Shares that could be issued under the 2013 Stock Option Plan was 4,724,000 Common Shares.

The 2013 Stock Option Plan, together with all other security-based compensation plans of the Corporation, does not allow at any time: i) the aggregate number of Common Shares reserved for issuance under stock options granted to insiders (as a group) of the Corporation at any point in time to exceed 10% of the issued Common Shares; ii) the grant to insiders (as a group) of the Corporation within a 12-month period of an aggregate number of stock options exceeding 10% of the issued Common Shares, calculated at the date a stock option is granted to any insider; or iii) the aggregate number of stock options granted to any one person (including any companies that are wholly owned by that person) within a 12-month period to exceed 5% of the issued Common Shares, calculated on the date a stock option is granted to that person, unless the Corporation has obtained the requisite disinterested shareholder approval in accordance with the policies of the TSXV.

The number of stock options to be granted to any one consultant in a 12-month period must not exceed 2% of the issued Common Shares, calculated on the date of grant of such stock options to the consultant.

The aggregate number of stock options to be granted to all persons retained to provide investor relations activities must not exceed 2% of the issued Common Shares in any 12-month period, calculated on the date of grant of such stock options to any such person. Stock options granted to persons retained to provide investor relations activities must vest in stages over a period of not less than 12 months, with no more than ¼ of the stock options vesting in any three-month period.

Exercise Price

The Board determines the exercise price of the Common Shares underlying the stock options when such stock options are granted. The exercise price per Common Share shall not be less than the last closing price

of the Common Shares on the TSXV on the day on which the stock options are granted and is subject to a minimum of \$0.10 per Common Share.

Expiry and Vesting

The expiry date of a stock option shall be the 10th anniversary of the date of grant unless a shorter period of time is otherwise set by the Board at the time the particular stock option is granted.

Stock options granted to an insider and the Common Shares that may be issued upon the exercise thereof will be subject to a four month resale restriction imposed by the TSXV, commencing on the date the stock options are granted to such insider.

Stock options shall be exercisable in whole or in part, and from time to time, at any time following the vesting date of the stock options and prior to the expiry of their term, but provided that if a stock option expires during a black-out period (as may be determined in a policy of the Corporation to prevent insiders from trading in the Common Shares), then the stock option shall remain exercisable until the period ending up to 10 business days after the end of such black-out period, notwithstanding the natural expiry of its term, except that in no event may such exercise occur more than ten years after the initial grant date of the stock option.

Subject to the Board's sole discretion in establishing or modifying vesting dates of stock options, from time to time, stock options granted shall vest, and become exercisable, upon and subject to such terms, conditions and limitations as contained in the 2013 Stock Option Plan and otherwise as the Board may from time to time determine with respect to each stock option.

Termination of Stock Options

Any stock option or part thereof not exercised prior to the expiry date shall terminate and become null, void and of no effect.

In the event of the death of an optionholder during the term of the optionholder's stock options, any vested stock options theretofore granted to that person shall be exercisable within, but only within, the period of one year next succeeding the optionholder's death, and in no event after the expiry date of the stock option. In the event of the death of an optionholder prior to the vesting date of any of the stock options, the Board shall have the discretion to accelerate the vesting of any unvested stock options.

If any optionholder shall cease to be eligible under the 2013 Stock Option Plan for any reason, other than termination for cause or death, he or she may exercise any vested stock options issued under the 2013 Stock Option Plan that is then exercisable, but only within the period that is 90 days from the date that he or she ceases to be eligible. In the event that an optionholder ceases to be eligible because of termination for cause, the stock options of the optionholder not exercised at such time shall immediately be cancelled on the date of such termination and be of no further force or effect whatsoever notwithstanding anything to the contrary in the 2013 Stock Option Plan.

Non-Transferability of Stock Options

Subject to applicable law, no stock option granted under the 2013 Stock Option Plan shall be assignable or transferable otherwise than by will or by the laws of descent and distribution or to a participant's registered retirement savings plan ("**RRSP**") or registered retirement income fund ("**RRIF**"), provided that the participant is, during the participant's lifetime, the sole beneficiary of the RRSP or RRIF.

Administration

The 2013 Stock Option Plan is administered by the Board, or by any committee appointed by the Board to administer the 2013 Stock Option Plan. The interpretation, construction and application of the 2013 Stock Option Plan shall be made by the Board and shall be final and binding on all stock options granted under the 2013 Stock Option Plan and all persons eligible to participate under the provisions of the 2013 Stock Option Plan.

Amendments

Subject to limitations provided in the 2013 Stock Option Plan requiring approval of the Shareholders, the Board may at any time, and from time to time, amend any provision of or terminate the 2013 Stock Option Plan, subject to all applicable laws and prior approval of the TSXV at the time of such amendment or termination, and, without limiting the generality of the foregoing, may amend vesting and termination provisions under the 2013 Stock Option Plan and make amendments for the purpose of complying with any changes in any applicable laws and policies of the TSXV, or for any other purpose which may be permitted by applicable laws, provided that, any such amendment or termination shall not alter the terms or conditions of any stock option or impair any right of any optionholder pursuant to any stock option granted prior to such amendment or termination.

Adjustments

The 2013 Stock Option Plan provides that the aggregate number of Common Shares issuable under the 2013 Stock Option Plan shall be appropriately and equitably adjusted in the event of an arrangement, reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or securities of the Corporation. Stock options granted under the 2013 Stock Option Plan may contain such provisions as the Board may determine with respect to the adjustments to be made in the number of Common Shares covered by such stock options and in the Option exercise price in the event of such change.

Indebtedness of Directors and Executive Officers

As at April 22, 2014, no director, executive officer, employee or former director, executive officer or employee of the Corporation was indebted to the Corporation in connection with the purchase of securities of the Corporation or for any other reason and no indebtedness of such persons is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INFORMATION ON THE AUDIT COMMITTEE

Regulation 52-110 requires the Corporation to disclose annually certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

Audit Committee Charter

The charter of the Audit Committee is attached to this Circular as Appendix D.

Composition of the Audit Committee

The Audit Committee is currently composed of Keith Harris (Chair), Robert Pevenstein and George Fowlie. Under Regulation 52-110, a director of an audit committee is "independent" if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board, reasonably be expected to interfere with the exercise of the member's independent judgment. The Board has determined that a majority of the members of the Audit Committee are independent. Mr. Fowlie is not considered as independent since he has been appointed as Deputy Chairman and Director of Corporate Development in December 2012. All Board members of the Audit Committee are "financially literate" within the meaning of Regulation 52-110.

Relevant Education and Experience of the Audit Committee Members

Keith Harris

Mr. Harris is a Chartered Accountant with over 20 years of experience in investment banking. He graduated with a Bachelor of Commerce degree from the University of Toronto, obtained his Chartered Accountant designation with Ernst & Young LLP, and is a member of the Ontario Institute of Chartered Accountants. Mr. Harris has been the President of Naiscoot Capital Corporation, which specializes in financial advisory services, since January 2011. He is currently a director of Diamond Estates Wines and Spirits Inc., a wine producer and spirits distributor, a director of Smart Employee Benefits Inc., a group benefits insurance

processing company, since July 2012 and a member of the Advisory Board of Edgecrest Capital Holdings, a boutique investment bank, since September 2013. Prior to his role with Naiscoot Capital Corporation, from January 2008 to December 2010, he was the President and Chief Financial Officer of Stifel Nicolaus Canada Inc. (and its predecessor company Thomas Weisel Partners Canada Inc.), the Canadian broker-dealer subsidiary of Stifel Financial Corp., a financial holding company listed on the New York Stock Exchange. Prior to January 2008, Keith was the Chief Financial Officer of Westwind Partners Inc., which was acquired by Thomas Weisel Partners Inc. in January 2008. He has also served as Chief Financial Officer of Octagon Capital Corporation, an independent Canadian investment dealer providing opportunities and advice to institutional investors and corporate clients.

Robert L Pevenstein

Mr. Pevenstein is a Certified Public Accountant and member of the American Institute of CPA's and is holder of a master in Business Administration from Pepperdine University (USA). He has been senior accountant for the firm Price Waterhouse in Washington from 1974 to 1977, adjunct assistant professor of accounting at the University of Maryland from 1976 to 1984, Vice-President Finance and Chief Financial Officer for Radiation Systems Inc., in Virginia from 1977 to 1987 and Senior Vice-President and Chief Financial Officer of New York Stock Exchange-listed United Nuclear Corporation, which was sold to General Electric in 1997. Mr. Pevenstein has also been Chairman of the audit committee of NASDAQ listed QuadraMed Corporation and of Copper Mesa Mining Corporation.

George Fowlie

Mr. Fowlie obtained his MBA from the University of Western Ontario and his ICD.D designation from The Directors Education Program at the Rotman School of Management, University of Toronto. Since February 2008, Mr. Fowlie has been Managing Director of Grf Capital Advisors, a financial advisory service for capital market participants primarily providing strategic planning services to companies in a wide range of industries. Over his 40 year career in corporate finance, he has gained extensive experience in commercial banking, merchant banking, investment banking, private equity and mezzanine debt funds. Prior to his role with Grf Capital Advisors, he served as deputy chairman and head of investment banking with Westwind Capital Partners, a U.S., Canadian and U.K. full service securities broker, from 2004 to 2008, which he helped to build into an international natural resource focused firm until it was acquired in 2008 by Thomas Weisel Partners. Mr. Fowlie is currently a member of the board of directors of the privately held companies Melford International Terminal Inc., Brunico Inc. and Cardswap.ca Inc. He also previously served as a member of the board of directors of several public companies listed on the Toronto Stock Exchange, including CFCF Inc., Telular Inc., PC Docs Inc. and Xenos Group Inc. and as the Chair of Outward Bound Canada.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Pre-approval Policies and Procedures for Audit Services

The Audit Committee must pre-approve all non-audit services to be provided to the Corporation by its external auditor.

External Auditor Service Fees

(a) *Audit Fees*

The total fees billed to the Corporation by its external auditor in each of the last two financial years for audit services are as follows:

For the financial year ended December 31, 2013: \$84,440

For the financial year ended December 31, 2012: \$49,000

(b) *Audit-Related Fees*

The total fees billed to the Corporation by its external auditor in each of the last two financial years for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under (a) are as follows:

For the financial year ended December 31, 2013: \$49,730

For the financial year ended December 31, 2012: \$5,000

(c) *Tax Fees*

The total fees billed in each of the last two financial years for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and tax planning are as follows:

For the financial year ended December 31, 2013: \$28,552

For the financial year ended December 31, 2012: \$25,600

(d) *All Other Fees*

The total fees billed in each of the last two financial years for products and services provided by the Corporation's external auditor, other than the services reported under clauses (a), (b) and (c) above, are as follows:

For the financial year ended December 31, 2013: \$151,943

For the financial year ended December 31, 2012: \$4,650

The fees set forth above result from services rendered to the Corporation by its external auditor mainly in connection with the Rights Offering and the due diligence carried out by the Corporation in the course of its acquisition of Aurbec.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in its Charter, it is not the duty of the Audit 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 applicable rules and regulations. These are the responsibilities of management and the independent auditor.

Reliance on Exemptions

With the exception of what is indicated below, the Corporation did not rely on exemptions for "de minimis non-audit services" and on any other exemption set out in Sections 6 and 8 of Regulation 52-110 for the financial year ended December 31, 2013. Since the end of its financial year ended December 31, 2013, the Corporation relied on Section 6.1 of Regulation 52-110 to be exempted from the requirement of Section 3.1(3) of Regulation 52-110 which requires that each member of the Audit Committee shall be independent.

Notwithstanding that the Corporation is providing this information on the Audit Committee in this Circular, the Corporation is relying on the exemption set out in Section 6.1 of Regulation 52-110 with respect to certain reporting obligations set out in Part 5 of Regulation 52-110.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "informed person" means: (i) a director or executive officer of the Corporation; (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (iii) any person or company who beneficially owns or exercises control or direction over, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the

person or company as underwriter in the course of a distribution; and (iv) the Corporation, if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as set out below or as may be set out in this Circular, including under the heading “Business of the Meeting – Approval of Various Financing and Debt Restructuring Transactions with FBC”, to the best of the Corporation’s knowledge, no informed person of the Corporation has or had, directly or indirectly, any material interest in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

On March 22, 2013, the Corporation funded the acquisition of Aurbec’s shares through the Credit Facility. In consideration of the commitment made by FBC under the Credit Facility, the Corporation issued to FBC 1,760,000 Common Shares and 880,000 Common Shares purchase warrants. Each warrant entitles FBC to subscribe for one Common Share during a two-year period following the date of its issuance, at a price of \$1.08 per Common Share, being the closing price of the Common Shares on the TSXV on March 22, 2013. Transaction costs of \$440,000 and an interest amount of \$831,781 were paid to FBC in relation to the Credit Facility.

The Credit Facility includes covenants that require the Corporation to maintain certain financial ratios, to maintain a certain level of cash and to meet certain non-financial requirements. As at December 31, 2013, the Corporation was in default with regard to certain provisions of the Credit Facility. On March 13, 2014, the Corporation entered into the FBC Agreement pursuant to which FBC agreed to provide additional funding to the Corporation and to Aurbec and to restructure the terms of existing indebtedness owing by the Corporation and Aurbec to FBC. Please see the heading “Business of the Meeting – Approval of Various Financing and Debt Restructuring Transactions with FBC” for the background and a description of the terms of the FBC Agreement. Should the FBC Transactions not be implemented and the default of Maudore under the Credit Facility be maintained: (i) the Corporation would have to pay FBC a \$3,300,000 penalty accrued as a result of Maudore’s default; and (ii) unpaid interest would be accrued at 17% instead of 15%.

On April 12, 2013, the Corporation closed a brokered private placement for an amount of \$15,506,250, representing 17,039,835 units at a price of \$0.91 each (the “Units”), each Unit being comprised one Common Share and one-half of one Common Share purchase warrant, each whole warrant entitling the holder to purchase one Common Share until April 12, 2015 at a purchase price of \$1.13. City Securities Limited, a corporation owned by Seager Rex Harbour, a shareholder of the Corporation who controls or directs more than 10% of the total issued and outstanding Common Shares, purchased 4,484,957 Units and an entity associated with Kevin Tomlinson, a director of the Corporation, purchased 1,140,448 Units. Certain other officers and directors, namely George Fowlie, Deputy Chairman, Ingrid Martin, former Chief Financial Officer, Anne Slivitzky, former Interim Chief Operating Officer, Robert Pevenstein, director, Raynald Vézina, director and Keith Harris, director, also purchased, in the aggregate, 159,500 Units.

For the year ended December 31, 2013, professional fees and disbursements of \$133,677 (\$55,071 in 2012), of which \$15,000 was recorded as additional fees related to the acquisition of Aurbec, have been paid to an officer. Additionally, professional fees of \$16,875 (none in 2012) have been paid to a corporation controlled by a former officer, while she was acting as an officer.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

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

1. Board of Directors

(a) *Disclose the identity of directors who are independent.*

All the current Board members are considered “independent” within the meaning of Regulation 52-110, except Gregory Struble, Chief Executive Officer, Kevin Tomlinson, Chairman, and George Fowlie, Deputy Chairman and Director of Corporate Development.

- (b) *Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors does to facilitate its exercise of independent judgment in carrying out its responsibilities.*

The Board is currently composed of seven directors, of which four are considered as independent within the meaning of Regulation 52-110. After the Meeting, the Board will be composed of six directors, of which four will be independent. Accordingly, a majority of the Board will be independent.

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

The members of the Board are presently directors of the following issuers that are reporting issuers in a jurisdiction in Canada or a foreign jurisdiction:

Director	Reporting Issuer Name
Gregory Struble	none
George Fowlie	none
Daniel Harbour	none
Keith Harris	Smart Employee Benefits Inc. Diamond Estates Wines and Spirits Inc.
Robert Pevenstein	Copper Mesa Mining Corp.
Kevin Tomlinson	Besra Gold Inc. Samco Gold Limited Centamin Plc Orbis Gold Limited
Raynald Vézina	Matamec Explorations Inc.

- (d) *Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.*

The independent directors of the Board do not hold meetings at which non-independent directors and members of management are not in attendance. Considering the actual size of the Board, the nature of the Corporation's activities and the experience of each of the members of the Board, the presence of the non-independent directors at the Board meetings does not prevent the independent directors from engaging in open discussion regarding any issues that may come before the Board.

- (e) *Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.*

Kevin Tomlinson is the current Chairman of the Board and, as such, is not an independent director. See below under "Position Description" for specific details regarding the Chairman's responsibilities. After the Meeting, the elected directors will appoint a new Chairman from amongst the members of the Board.

- (f) *Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.*

Board meetings are generally held by conference calls. The following table provides the attendance of the Board members. Gregory Struble became a director on June 26, 2013.

Gregory Struble	17/17
Kevin Tomlinson	21/22
George Fowlie	22/22
Keith Harris	20/22
Daniel Harbour	16/22
Raynald Vézina	18/22
Robert Pevenstein	21/22

2. Board Mandate

- (a) *Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.*

The Board does not currently have a written mandate. The principal duty and responsibility of the Board is its stewardship responsibility, including overseeing the management of the Corporation and its operations. The day-to-day management of the business and affairs of the Corporation is delegated by the Board to the Chief Executive Officer, who is expected to report to the Board on a regular basis regarding the results and activities. Additionally, the Board carries out its mandate directly and through the recommendations it receives from the Board committees, which operate under written mandates.

The Board approves the Corporation's significant business decisions and material transactions such as acquisitions or alienation of important assets and of mineral properties, financings, significant expenditures, security issuances, the granting of options to purchase shares and any other decisions as required by applicable legislation. In addition, transactions or agreements in respect of which a director or officer has a material interest must be approved by the independent directors.

Considering the industry in which the Corporation is involved, the Board periodically reevaluates its objectives to take in account the different opportunities and market risks for the benefit of the shareholders.

The Board approves all the Corporation's major communications. The Corporation communicates with its shareholders, the investment community and the general public through the dissemination of regular press releases pertaining to its business operations and progress. In addition, the Corporation maintains a website which includes corporate and other relevant information on its business operations and assets. Shareholders can communicate directly with the Corporation in a number of ways, including by e-mail (info@maudore.com) through its website.

3. Position Description

- (a) *Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.*

The Board is responsible for choosing the Chair of the Board and of the committees. The Board has not developed written position descriptions for these positions.

The primary role and responsibility of the Chair of the Board is to oversee the activities of the Board and assume the leadership role with respect to establishing a transparent process for managing the Corporation, elaborating the mandate of the Board committees and reviewing and evaluating the performance of the Board as a whole.

In particular, the Chair of the Board: (i) establishes the agenda for each Board meeting; (ii) chairs all meetings with a view to taking advantage of the individual strengths of each of the members of the Board; (iii) ensures that the Board is provided with full information on the situation of the Corporation,

its business and other matters that may come before the Board from time to time; and (iv) encourages open and effective communication between the management of the Corporation and the Board.

The primary role and responsibility of the Chair of each committee of the Board is to: (i) ensure that the committee fulfills its mandate, as determined by the Board; (ii) chair the meetings of the committee; (iii) report thereon to the Board; and (iv) act as liaison between the committee and the Board and, if necessary, management of the Corporation.

- (b) *Disclose whether or not the board and CEO have developed written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.*

The Board is responsible for choosing the Chief Executive Officer. The Board and the Chief Executive Officer have not developed a written position description for this position. It is expected that the Corporation will develop and adopt a written position description for the Chief Executive Officer in the third quarter of 2014.

The primary responsibility of the Chief Executive Officer is to carry out the strategic plan approved by the Board for the Corporation. As the principal manager of the Corporation, the Chief Executive Officer provides leadership, direction and support to the members of the Board in the exercise of their duties.

4. Orientation and Continuing Education

- (a) *Briefly describe what measures the board takes to orient new directors regarding: (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.*

The Board has not developed an orientation or training program for the new directors and generally takes such measures as are appropriate to orient each new director on a case-by-case basis. The Board members are experienced managers who are or have been on the board of directors of other public companies.

- (b) *Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.*

The Board does not formally provide continuing education to its directors. By using a Board composed of experienced professionals with a wide range of financial, exploration and mining expertise and who have experience with other public companies, the Corporation ensures that the Board operates effectively and efficiently.

5. Ethical Business Conduct

- (a) *Disclose whether or not the board has adopted a written code for the directors, officers and employees.*

The Board does not currently have a written code of ethics and conduct for the directors, officers and employees. It is expected that the Corporation will develop and adopt a code of ethics and conducts in the third quarter of 2014.

- (b) *Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.*

Directors who have, or may be reasonably perceived to have, a personal interest in a transaction or agreement being contemplated by the Corporation are required to declare such interest at any directors' meeting where the matter is being considered and to refrain from voting on such matter.

- (c) *Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.*

All Board members are or have been members of other reporting issuers and have solid track records in spheres ranging from financial to exploration and mining in order to ensure a culture of ethical business conduct.

6. Nomination of Directors

- (a) *Describe the process by which the board identifies new candidates for board nomination.*

The Corporate Governance, Compliance and Nominating Committee is responsible for developing and reviewing the Corporation's management succession and development plans; reviewing and assessing the size, composition and operation of the Board and committees of the Board to ensure effective decision-making and identifying and assessing new candidates for nomination to the Board. New candidates are identified to the members of the Corporate Governance, Compliance and Nominating Committee by directors, officers and shareholders of the Corporation after canvassing industry and other contacts. The Corporate Governance, Compliance and Nominating Committee may also, from time to time, use the services of a search consulting firm in order to assist it in identifying suitable candidates.

- (b) *Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.*

The Corporate Governance, Compliance and Nominating Committee is currently composed of three members, all of whom are independent.

- (c) *If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.*

The responsibilities of the Corporate Governance, Compliance and Nominating Committee comprise the following tasks: (i) make recommendations to the Board regarding minimum qualifications of director candidates, and processes for identifying and nominating directors; (ii) evaluate the business experience, or specialized skills or experience of directors candidates; (iii) determine each proposed nominee's qualifications for service on the Board; (iv) consider issues involving possible conflicts of interests of directors or potential directors; (v) evaluate and recommend to the Board when new members should be added to the Board, and recommend a replacement member to the Board when a vacancy occurs; (vi) evaluate the performance of each director before recommending to the Board his or her nomination for an additional term as director; (vii) consider annually the establishment and membership of committees of the Board, the chairmanship of such committees and recommend to the Board director nominees for each committee; (viii) conduct an annual review of the performance of the Board as a whole and (ix) assist the Board in fulfilling its responsibilities for sound corporate governance practices, including conducting periodic reviews of the Corporation's corporate governance charter and determining which Board and committee members are independent.

7. Compensation

- (a) *Describe the process by which the board determines the compensation for the issuer's directors and officers.*

The Compensation and Human Resources Committee is mandated to review and recommend to the Board for approval the compensation of the members of the Board and the senior executives of the Corporation. The process by which the Board has determined the compensation of its executive officers and directors is described in the section "Compensation Discussion and Analysis for the Financial Year ended December 31, 2013" of this Circular.

- (b) *Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent*

directors, describe what steps the board takes to ensure an objective process for determining such compensation.

The Compensation and Human Resources Committee is currently composed of three members, all of whom are independent. Accordingly, a majority of the Compensation and Human Resources Committee is independent.

- (c) *If the board has a compensation committee, describe the responsibilities, power and operation of the compensation committee.*

The Compensation and Human Resources Committee's responsibilities include the following tasks: (i) establish the objectives governing the Corporation's compensation program for the directors and officers; (ii) oversee and approve the compensation and benefits paid to the Chief Executive Officer and other senior officers; (iii) recommend to the Board for approval the executive and directors compensation; (iv) oversee the Corporation's stock option plan and recommend to the Board for approval the option awards; and (v) promote the clear and complete disclosure to shareholders of material information regarding executive compensation.

- (d) *If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.*

The Corporation engaged The Human Well Inc., a Canadian-based firm, as compensation consultant and advisor to assist the Corporation in the hiring process of a new Chief Executive Officer.

8. Other Board Committees

If the board has standing committees other than the audit, compensation and nominating committee, identify the committees and describe their function.

The Board's other standing committee is the Health, Safety, Environment and Sustainability Committee, which is currently composed of two independent members and one non-independent member. The Committee shall assist the Board of the Corporation and of its subsidiary in fulfilling its responsibilities, including (i) the establishment and review of safety, health and environmental policies; (ii) the management of the implementation of compliance systems; (iii) the monitoring of the effectiveness of safety, health and environmental policies, systems and monitoring processes; (iv) the review of the performance of the Corporation and of Aurbec with regard to the impact of health, safety, environmental decisions and actions upon employees, communities and other third parties; (v) the receipt of audit results and updates from management with respect to health, safety, environmental and sustainability performances and (vi) apprising the Board of sustainability of the Corporation's operations and plans.

9. Assessments

Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

The Board has not established a formal policy to monitor the effectiveness and contribution of the directors, the Board and its committees but it believes that its relatively small size and the service of its members across multiple committees facilitate informal discussions and the evaluation of members' contributions within that framework. The evaluation process is a chiefly oral process, based on discussion between committee members, committee chairs, and key members of the management team. This process aims to check that Board members have adequate means, information and skills at their disposal to discharge their responsibilities, that management feels that it

receives regular and sufficient input and support from Board members, and that Shareholder interests are properly served by the Board as currently composed.

SHAREHOLDER PROPOSALS FOR NEXT MEETING

Shareholder proposals to be presented at the 2015 annual meeting of Shareholders must be received by the Corporation no later than 60 days before the anniversary of the Meeting, being March 23, 2015, to be included in the management proxy circular for such annual meeting.

ADDITIONAL INFORMATION

Information contained in this Circular is given as of the date hereof except as otherwise noted. Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Financial information about the Corporation is contained in its comparative annual financial statements and management's discussion and analysis for the financial year ended December 31, 2013. Copies of the Corporation's financial statements and management's discussion and analysis are available on SEDAR at www.sedar.com and upon written request, free of charge, by contacting the Corporate Secretary of the Corporation: 101-A Avenue Principale, Rouyn-Noranda, Québec J9X 4P1; telephone (819) 797-9336.

DIRECTORS' APPROVAL

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

Dated this 22nd day of April, 2014.

(s) Gregory Struble
Gregory Struble
Chief Executive Officer

CONSENT OF THE FAIRNESS ADVISOR

We hereby consent to the references under the heading “Business of the Meeting – Opinion of the Fairness Advisor” in the management proxy circular of Maudore Minerals Ltd. (“**Maudore**”) dated April 22, 2014 relating to the annual and special meeting of the shareholders of Maudore called by Maudore to, among other matters, consider and approve the transactions contemplated by the agreement (the “**FBC Agreement**”) entered into by Maudore and Aurbec Mines Inc. (“**Aurbec**”) with FBC Holdings S.à.r.l. as of March 13, 2014, to the opinion of our firm dated March 13, 2014, which we prepared for the Board of Directors of Maudore and the Board of Directors of Aurbec (collectively, the “**Boards of Directors**”) in connection with the FBC Agreement. In providing such consent, we do not intend that any persons other than the members of the Boards of Directors rely upon such opinion.

Toronto, Ontario

April 22, 2014

CLARUS SECURITIES INC.

(signed) “*Clarus Securities Inc.*”

**APPENDIX A –
RESTRUCTURING APPROVAL RESOLUTION**

IT IS RESOLVED as an ordinary resolution of the shareholders of Maudore Minerals Ltd. other than FBC Holdings S.à.r.l. and its affiliates:

1. that the transactions provided for in the agreement dated March 13, 2014 entered into among the Corporation, Aurbec Mines Inc. (“**Aurbec**”) and FBC Holdings S.à.r.l. (“**FBC**”), pursuant to which FBC agreed to provide additional funding to the Corporation and Aurbec and to restructure the terms of the existing indebtedness owing by Maudore and Aurbec to FBC, including, without limitation:
 - (i) the acquisition of a 49.9% interest in Aurbec by FBC and the grant of a \$4,000,000 royalty by Aurbec in favor of FBC;
 - (ii) the issuance of a maximum of 44,444,444 common shares in the capital of the Corporation (“**Common Shares**”) to FBC in reimbursement of up to \$4,000,000 in principal amount of outstanding indebtedness owing by the Corporation to FBC; and
 - (iii) the issuance of a maximum of 15,350,000 Common Shares to FBC;all on such terms as more particularly described under the heading “*Business of the Meeting – Approval of Various Financing and Debt Restructuring Transactions with FBC*” in the management proxy circular of the Corporation dated April 22, 2014, be and the same are hereby authorized and approved;
2. that the directors and officers of the Corporation, or any of them, and counsel to the Corporation, are hereby authorized to execute and deliver and file all such documents, including any related disclosure document and any amendments to documents previously approved and filed, and to pay all such fees and to do all such other things on behalf of the Corporation as may, in their opinion, be necessary, advisable or desirable to implement the foregoing resolutions; and
3. that notwithstanding the foregoing, the directors of the Corporation be and they are hereby authorized, where they deem it advisable and in the interest of the Corporation, to revoke this resolution and not proceed with the transactions described above, at any time without having to give notice to the shareholders of the Corporation and without having to obtain any other authorization from them.

APPENDIX B
PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION OF MAUDORE AS AT
DECEMBER 31, 2013

MAUDORE MINERALS LTD.

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS 2013

Maudore Minerals Ltd.

2000 Peel Street, Suite 620, Montréal, QC, H3A 2W5

Tel.: 514.439.0990 – Fax: 514.439.0590

Website: www.maudore.com – Email: info@maudore.com

TSX-V: MAO

MAUDORE MINERALS LTD.

Pro Forma Consolidated Statement of Financial Position

As at December 31, 2013

(in Canadian dollars)

	Notes	2013	Pro Forma adjustments	2013 Pro Forma
		\$	\$	\$
ASSETS				
Current				
Cash and cash equivalents	4i)	820,734	4,000,000	10,136,895
	4ii)		2,000,000	
	4iv)		3,316,161	
Restricted cash	4iv)	3,316,161	(3,316,161)	-
Tax credits receivable		4,705,289	-	4,705,289
Accounts receivable		291,299	-	291,299
Sales tax receivable		197,653	-	197,653
Inventories		3,130,141	-	3,130,141
Prepaid expenses		463,589	-	463,589
		12,924,866	6,000,000	18,924,866
Non-current				
Reclamation deposit		1,880,084	-	1,880,084
Non-current portion of tax credits receivable		613,825	-	613,825
Exploration and evaluation assets		5,325,775	-	5,325,775
Property, plant and equipment		9,461,520	-	9,461,520
		17,281,204	-	17,281,204
Total assets		30,206,070	6,000,000	36,206,070
LIABILITIES				
Current				
Accounts payable and accrued liabilities		9,962,427	-	9,962,427
Credit facility	4iii)	27,315,324	(3,300,000)	-
	4iii)		(242,000)	
	4v)		(2,000,000)	
	4vi)		(1,282,324)	
	4vii)		(20,491,000)	
Current portion of obligations under finance leases		185,407	-	185,407
Royalty claim	4i)	-	3,999,999	3,999,999
		37,463,158	(23,315,325)	14,147,833
Non-current				
Credit facility	4vii)	-	20,491,000	20,491,000
Secured Loan	4ii)	-	2,000,000	2,000,000
Obligations under finance leases		13,143	-	13,143
Mine restoration provision		6,232,912	-	6,232,912
Other liabilities		212,706	-	212,706
		6,458,761	22,491,000	28,949,761
Total liabilities		43,921,919	(824,325)	43,097,594

MAUDORE MINERALS LTD.

Pro Forma Consolidated Statement of Financial Position

As at December 31, 2013

(in Canadian dollars)

	Notes	2013	Pro Forma adjustments	2013 Pro Forma
		\$	\$	\$
EQUITY				
Share capital	4v) 4viii)	60,079,772	2,111,111 1,035,957	63,226,840
Contributed surplus		6,579,202	-	6,579,202
Warrants		1,050,803	-	1,050,803
Deficit	4i) 4iii) 4iii) 4vi) 4v) 4viii) 4ix)	(81,425,626)	1 3,300,000 242,000 1,282,324 (111,111) (1,035,957) (4,708,604)	(82,456,973)
Equity attributable to shareholders of the parent Corporation		(13,715,849)	2,115,721	(11,600,128)
Non-controlling interest	4ix)	-	4,708,604	4,708,604
Total equity		(13,715,849)	6,824,325	(6,891,524)
Total liabilities and equity		30,206,070	6,000,000	36,206,070

The accompanying notes are an integral part of the Pro Forma consolidated financial statements.

MAUDORE MINERALS LTD.
Pro Forma Consolidated Statement of Comprehensive Loss
Year ended December 31, 2013
(in Canadian dollars)

	Notes	2013	Pro Forma adjustments	2013 Pro Forma
		\$	\$	\$
REVENUES		1,570,081	-	1,570,081
MINE OPERATING EXPENSES				
Production costs		4,189,843	-	4,189,843
Depreciation and amortization		91,593	-	91,593
Total mining operating expenses		4,281,436	-	4,281,436
Loss from mining operations		(2,711,355)	-	(2,711,355)
OTHER EXPENSES				
General and administrative expenses		2,915,606	-	2,915,606
Acquisition related expenses		2,194,231	-	2,194,231
Rights offering expenses		683,388	-	683,388
Debt restructuring expenses		646,519	-	646,519
Professional fees related to proxy contest		-	-	-
Exploration and evaluation expenses		699,607	-	699,607
Gain on disposal of property, plant and equipment		(22,200)	-	(22,200)
Impairment of property, plant and equipment		11,029,376	-	11,029,376
Total other expenses		18,146,527	-	18,146,527
Loss from operations		(20,857,882)	-	(20,857,882)
OTHER EXPENSES (INCOME)				
Financial expenses		1,649,394	-	1,649,394
Fair value variation on credit facility	4iii)	7,715,324	(3,300,000)	2,891,000
	4iii)		(242,000)	
	4vi)		(1,282,324)	
Debt restructuring loss	4v)	-	111,111	5,855,672
	4viii)		1,035,957	
	4ix)		4,708,604	
Finance costs on mine restoration provision		77,210	-	77,210
Interest income		(101,068)	-	(101,068)
Loss before income taxes		(30,198,742)	(1,031,348)	(31,230,090)
Deferred income taxes and mining duty taxes		89,890	-	89,890
NET LOSS AND COMPREHENSIVE LOSS		(30,288,632)	(1,031,348)	(31,319,980)
Attributable to:				
Shareholders of the parent Corporation		(30,288,632)	4,913,284	(25,375,348)
Non-controlling interest	4 x)	-	(5,944,632)	(5,944,632)
NET LOSS AND COMPREHENSIVE LOSS		(30,288,632)	(1,031,348)	(31,319,980)

The accompanying notes are an integral part of the Pro Forma consolidated financial statements.

1. BASIS OF PRESENTATION

The unaudited pro forma condensed consolidated statements of financial position and comprehensive loss as at and for the year ended December 31, 2013 (“Pro Forma”) have been prepared by management of Maudore Minerals Ltd (the “Corporation”) in accordance with *International Financial Reporting Standards* (“IFRS”) for illustrative purposes only, to show the effect of the agreement with Cyrus Capital Partners (“Cyrus”), in its capacity as a manager for FBC Holdings S.à.r.l (“FBC”) for additional funding and the restructuring of the \$22 million credit facility initially granted to the Corporation (the “Credit Facility”).

The Pro Forma has been prepared as if the transactions described in Note 3 had occurred on December 31, 2013 for the consolidated statement of financial position and for consolidated statement of comprehensive loss as if the transactions had occurred on March 22, 2013. 51-102 Continuous Disclosures requirements for pro forma financial statements are in the context of a business acquisition and require a pro forma income statement that gives effect to the significant acquisition completed since the beginning of the year. Given the nature of the transactions and the significant change in the share price of the Corporation between March 22, 2013 (date of the acquisition of Aurbec Mines Inc. (“Aurbec”)) and December 31, 2013, management considers that reflecting the transactions using a hypothesis based on information as at March 22, 2013 would be misleading for potential users of this Pro Forma. Therefore, management presented the impact of the transactions on the consolidated statement of comprehensive loss using a hypothesis based on information as at December 31, 2013 but presented the impact of the transactions as if they had occurred on the date of the acquisition of Aurbec.

The audited consolidated financial statements of the Corporation for the year ended December 31, 2013 were used to prepare the Pro Forma.

In the opinion of the Corporation’s management, the Pro Forma includes all adjustments necessary for a fair presentation of the transactions described in the notes to the Pro Forma applied on a basis consistent with the Corporation’s accounting policies. This Pro Forma is not necessarily indicative of the financial position and results of operations that will be achieved once the additional funding and the restructuring of the Credit Facility will be completed, nor does it claim to project the results of operations or financial position of the Corporation for any future period or as of any future date.

The Pro Forma should be read in conjunction with the historical financial statements and notes of the Corporation.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing the Pro Forma are set out in the Corporation’s audited financial statements for the year ended December 31, 2013.

3. ADDITIONAL FUNDING AND RESTRUCTURING OF THE CREDIT FACILITY

During the period from October 2012 to present, the market price of gold has been volatile and dropping. This trend in gold prices created a strain on the Corporation’s cash resources and caused the Corporation to experience difficulties in dealing with its creditors. On August 15, 2013, Entrepreneur minier Promec Inc. (“Promec”) registered a notice of legal hypothec against the Corporation’s Veza project and Sleeping Giant property (the “Promec Hypothec”). Promec later filed a petition in bankruptcy against the Corporation’s wholly-owned subsidiary Aurbec on August 23, 2013. While vigorously working to have the petition in bankruptcy dismissed, the Corporation initiated the negotiation of a consensual restructuring (the “Consensual Restructuring”) with its senior lender, Cyrus, its four major creditors and other stakeholders with a view to implementing its ongoing business plan consisting of the recommencement of mining operations at its Sleeping Giant property.

3. ADDITIONAL FUNDING AND RESTRUCTURING OF THE CREDIT FACILITY (CONT'D)

On September 30, 2013, in order to preserve cash while the negotiation of the Consensual Restructuring continued, the Corporation elected to defer the payment of the interest due to FBC pursuant to its \$22,000,000 Credit Facility. On October 2, 2013, the Corporation received a letter from Cyrus regarding defaults under the Credit Facility and putting the Corporation on notice that, while it was still prepared to proceed with the Consensual Restructuring, Cyrus would move to enforce its security if agreements to implement the Consensual Restructuring were not signed by the Corporation's four major creditors by October 7, 2013. This deadline was subsequently extended to October 15, 2013, on which date such agreements were entered into by the Corporation.

The Consensual Restructuring addressed approximately \$2,360,000 of trade credit of the Corporation. Under the Consensual Restructuring, the Aurbec trade creditors (for which the agreement covers \$4,330,000 of debt) were granted a first ranking charge on Aurbec's immovable rights and mining claims in respect of the Corporation's Vezza project to secure any outstanding balances owed (the "Vezza Hypothecs"). In consideration for the Vezza Hypothecs and the payments to be made by Aurbec, Promec discharged the Promec Hypothec.

As at November 27, 2013, upon an application by Promec, the Québec Superior Court dismissed the bankruptcy petition that Promec had previously filed against Aurbec and discharged the hypothec previously registered in favor of Promec against Aurbec's Vezza and Sleeping Giant properties. Pursuant to an agreement that was reached in October 2013 for the Consensual Restructuring of Aurbec's trade payables, an arrangement has been made that is acceptable to FBC to grant a first ranking security to Promec and to one other creditor over the Vezza Project only in order to secure the repayment of all indebtedness owing to them should Aurbec fail to deliver on the current plan to see all creditors repaid in full.

In the context of the Consensual Restructuring of its debts, the Corporation filed on December 9, 2013 a final short form prospectus in connection with a rights offering ("Rights Offering").

However, in January 2014, it became necessary to revise the terms of this Consensual Restructuring and to discontinue the Rights Offering mainly as a consequence of the Corporation having projected an increase in the time and development costs required for new stoping at the Sleeping Giant mine, elements that were not reflected in its initial payment schedules. The primary driver for this change was the positive drill results obtained from ongoing underground diamond drilling being conducted. The Corporation has successfully achieved its initial drilling plan goals and exceeded new ounce growth targets. However, the majority of these new ounces were revealed to be proportionally in the deeper levels of the mine. As a consequence, additional mine development and extended ramp up time is needed for these new stoping areas to reach positive cash flows, resulting in a significant change to the overall financing needs of the Corporation in order to bridge its operations to that point.

As of March 13, 2014, the Corporation announced that it reached an agreement with FBC and Aurbec for additional funding to be made available by FBC to the Corporation and to Aurbec. The specific terms of the FBC Agreement are as follows:

3. ADDITIONAL FUNDING AND RESTRUCTURING OF THE CREDIT FACILITY (CONT'D)

Immediate Funding

Upon the execution of definitive documentation by the parties, FBC will immediately advance to Aurbec the sum of \$4 million in the form of a senior secured loan (the "Senior Secured Loan"), with the funds to be used by Aurbec for general corporate purposes until May 22, 2014 where a meeting of the shareholders of the Corporation will take place for the approval of the shareholders other than FBC (the "Disinterested Shareholders") to the overall terms of the FBC Agreement as discussed below. The Senior Secured Loan will bear interest at the rate of 15% per annum and will be secured by a first charge on all assets of Aurbec (subject to the prior charge on the Vezza project in favor of Promec and the other creditor) as well as a secured guarantee provided by the Corporation (the "Senior Security"). Aurbec will pay a fee of 5% on any undrawn amounts.

FBC will also continue to allow the Corporation to draw on the balance remaining of the original amount of approximately \$3.3 million held in the interest escrow account established pursuant to the existing \$22 million Credit Facility. These funds will be used for general corporate purposes, subject to the prior approval of FBC. FBC has been allowing the Corporation to access these funds for working capital purposes since the time that the Corporation discontinued its Rights Offering.

Should the Disinterested Shareholders not approve the terms of the FBC Agreement, this would constitute a default under the Senior Secured Loan, rendering it immediately repayable to FBC, and would similarly create a default under the Credit Facility. Were the FBC Agreement not to be approved by the Disinterested Shareholders, this would result in Maudore and/or Aurbec being in default of their obligations under the Credit Agreement and of their payment obligations towards other creditors. Should any of those creditors seek to exercise their rights to obtain repayment of their debts, it is likely that Maudore and/or Aurbec would seek protection under the Companies' Creditors Arrangement Act (Canada) or the Bankruptcy and Insolvency Act (Canada) and that in such a scenario the resulting value of the equity shareholdings of the Shareholders would be reduced to virtually nil.

Other Features Subject to Shareholder Approval

Upon the approval of the Disinterested Shareholders of the terms of the FBC Agreement as discussed below, the following additional elements of the FBC Agreement will be implemented:

1. FBC will pay to Aurbec the sum of \$4 million, which sum will be applied by Aurbec to the repayment of the then outstanding balance of the Senior Secured Loan described above, with the remaining balance available to be used for general corporate purposes. In exchange for this \$4 million payment, (i) Aurbec will issue to FBC such number of Common Shares in its share capital as will result in FBC holding a 49.9% equity interest in Aurbec (with the Corporation retaining a 50.1% equity interest) and (ii) Aurbec will grant to FBC a royalty claim (the "Royalty Claim"). Under the terms of the Royalty Claim, Aurbec will be required to pay to FBC, within one year, the sum of \$4 million plus interest at the rate of 15% per annum. Repayment of the Royalty Claim will be made by Aurbec through a combination of the following sources of cash: (A) 1% of any gold sales generated by Aurbec and (B) any cash balances in excess of \$1 million (which excesses will be deposited into a blocked account in favor of FBC and be balanced on a bi-weekly basis). Moreover, in the event of a change of control of the Corporation or Aurbec (other than in favor of FBC), the Royalty Claim will become immediately repayable at the option of FBC for an amount equal to 101% of the amount otherwise payable thereunder at such time. The obligations of Aurbec under the Royalty Claim will be guaranteed by the Corporation and secured against the assets of the Corporation and Aurbec.

3. ADDITIONAL FUNDING AND RESTRUCTURING OF THE CREDIT FACILITY (CONT'D)

2. FBC will make available to Aurbec the sum of \$2 million in the form of a senior secured loan, with the funds to be used by Aurbec for general corporate purposes, subject to the prior approval of FBC. This senior secured loan will bear interest at the rate of 15% per annum and will be secured by the Senior Security. Aurbec will pay a fee of 5% on any undrawn amounts.
3. FBC will provide funding sufficient to satisfy Aurbec's new environmental bonding requirements in 2014 of approximately \$0.9 million.
4. The approximately \$2.2 million in interest currently outstanding under the Credit Facility will be converted into principal under the Credit Facility.
5. The Corporation will be permitted to satisfy the ongoing interest owing on the Credit Facility for 2014 either by making cash payments or by converting such interest into principal under the Credit Facility.
6. FBC will convert a minimum of \$2 million and a maximum of \$4 million (the exact amount to be determined by FBC at its option) of outstanding principal owing under the Credit Facility, or of other debt owing to it, into common shares of the Corporation ("Common Shares") at a conversion price of \$0.09 per Common Share, representing a minimum of 22,222,222 and a maximum of 44,444,444 Common Shares.
7. The Corporation will undertake not to issue any additional Common Shares without the approval of FBC prior to the implementation of the Consensual Restructuring.
8. In consideration of this restructuring, the Corporation will issue to FBC an aggregate of 15.35 million Common Shares.

Agreements have been reached with the other creditors of Aurbec which provide that an aggregate of approximately \$4.3 million of debt will be repaid in monthly instalments of approximately \$85,000, with a final balloon payment of approximately \$2.2 million to be made in March 2015.

The implementation of the FBC Agreement remains subject to the execution of formal documentation, the receipt of all requisite regulatory approvals and, except as stated above, the approval of the Disinterested Shareholders.

4. PRO FORMA ADJUSTMENTS

The Pro Forma includes the following adjustments as if the additional funding and the restructuring of the Credit Facility had occurred on December 31, 2013:

- i) The issuance of a 49.9% interest in Aurbec's share capital to FBC valued at \$1 and a royalty claim valued at \$3,999,999 in exchange of \$4,000,000. Management has determined that the Corporation maintains control over Aurbec and therefore will present FBC's interest as a minority interest.
- ii) Senior secured loan of \$2,000,000 bearing interest at the rate of 15% per annum and for the purposes of the Pro Forma, it is assumed that the maturity date is one year and one day. Out of the 15,349,259 Common Shares issued to FBC as consideration for the restructuring, 4,444,444 Common Shares were considered to be issued in connection with the senior secured loan and no value was attributed to these Common Shares since the fair value of the loan is deemed to be \$2,000,000.

Restructuring of the Credit Facility whereby it is no longer considered in default and therefore:

- iii) The \$3,300,000 default penalty is waived and the interest accrued is reduced by \$242,000 based on a 15% interest rate instead of at the 17% default rate;
- iv) The Corporation has access to the restricted cash.
- v) Conversion of \$2,000,000 of the Credit Facility into 22,222,222 Common Shares. Management considers that it is more probable that only the minimum of 22,222,222 Common Shares will be issued as opposed to the maximum of 44,444,444 Common Shares. The Common Shares issued for conversion were valued at \$0.095 per share (i.e. the share price at December 31, 2013) for a total amount of \$2,111,111 and the balance of \$111,111 was recorded as a debt restructuring expense.
- vi) A new fair value of the Credit Facility was calculated at \$20,491,000 using an effective rate of 20% corresponding to a rate that the Corporation would have obtained for a similar financing and a \$1,282,324 fair value variation on Credit Facility has been reflected in the statement of comprehensive loss. Current interest accrued is converted into principal under the Credit Facility and is included in the calculation of the fair value of the debt.
- vii) The Credit Facility is reclassified as long term debt.
- viii) Of the 15,349,259 Common Shares issued to FBC as consideration for the restructuring, 10,904,815 Common Shares were valued at \$0.095 per share for a total amount of \$1,035,957 and was recorded as a debt restructuring expense.
- ix) The issuance of a 49.9% interest in Aurbec's share capital to FBC is considered an integral part of the restructuring of the Credit Facility. Consequently, this non-controlling interest valued at \$4,708,604 as at December 31 2013 was recorded as a debt restructuring expense in the consolidated statement of comprehensive loss.
- x) If the transactions had taken effect when Aurbec was acquired in March 2013, the net loss attributable to the non-controlling interest would have been \$5,944,632 for fiscal year 2013 (note 1).

MAUDORE MINERALS LTD.

Notes to the Pro Forma Consolidated Financial Statements

For the year ended December 31, 2013

5. PRO FORMA BASIC AND DILUTED LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period divided by the weighted average number of Common Shares in circulation during the period. In calculating the diluted loss per share, potential dilutive Common Shares such as share options and warrants have not been included as they would have the effect of decreasing the loss per share which would be considered to be anti-dilutive.

Both the basic and diluted loss per share have been calculated using the loss attributable to the shareholders of the parent Corporation as the numerator.

	December 31, 2013
Pro Forma net loss and comprehensive loss	(\$25,375,348)
Weighted average number of Common Shares outstanding of the parent Corporation - basic and diluted	41,756,253
Conversion of \$2,000,000 of the Credit Facility into Common Shares	17,290,715
Common Shares issued to FBC in consideration for the additional funding	11,942,985
Pro Forma weighted average number of shares outstanding – basic and diluted	70,989,953
Pro Forma - basic and diluted loss per share	(\$0.36)

**APPENDIX C –
FAIRNESS OPINION**



PERSONAL AND CONFIDENTIAL

March 13, 2014

The Board of Directors
Maudore Minerals Ltd. and Aurbec Mines Inc.
2000, rue Peel
Bureau 620
Montréal, Québec

To the Board of Directors:

Clarus Securities Inc. (“**Clarus**”, “**we**”, “**us**” or “**our**”) understands that Maudore Minerals Ltd. (“**MAO**”, the “**Company**”, “**you**” or “**your**”) has entered into a Consensual Restructuring Term Sheet Proposal (the “**Proposal**”) with FBC Holdings S.á.r.l. (“**FBC**”) and Aurbec Mines Inc. (“**Aurbec**”) regarding a consensual restructuring of debts owed by the Company to Cyrus Capital Partners, in its capacity as a manager to FBC (the “**Restructuring**”).

Engagement of Clarus

By letter agreement dated February 14, 2014, the Company retained Clarus to prepare and deliver this opinion (the “**Opinion**”) to the Board of Directors of the Company (the “**MAO Board**”) as to the fairness, as of the date hereof, from a financial point of view, to the Company and to Aurbec of the Restructuring.

Clarus will be paid a fee for rendering this Opinion. The Company has also agreed to indemnify Clarus and certain related persons in respect of certain liabilities that might arise out of its engagement to provide this Opinion.

Credentials of Clarus

Clarus is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate finance, mergers and acquisitions, equity sales and trading, and investment research. Clarus is a member of the Investment Industry Regulatory Organization of Canada (formerly the Investment Dealers Association of Canada), the Canadian Investor Protection Fund and a participating organization of the Toronto Stock Exchange. Clarus is registered as a broker and investment dealer in British Columbia, Manitoba, Ontario and Quebec.

The professionals primarily involved in the preparation of this Opinion include senior officers of Clarus who are experienced in restructuring, merger, acquisition and divestiture matters and have been involved in a significant number of transactions involving fairness opinions and valuations of private and publicly

traded companies. This Opinion represents the opinion of Clarus and the form and content hereof have been approved for release by Clarus' Fairness Committee.

Independence of Clarus

None of Clarus, its affiliates or associates, is an insider, associate or affiliate (as such terms are defined in the Securities Act (Ontario)) of MAO or of any of its associates or affiliates. Clarus has acted from time to time as an advisor, financial, underwriter or otherwise, to MAO and its associates or affiliates in connection with other transactions.

Clarus has not entered into any other agreements or arrangements with MAO or any of its affiliates with respect to any future dealings.

Clarus acts as a trader and dealer, both as principal and agent, in all major financial markets in Canada and, as such, may have had, and may in the future have, positions in the securities of MAO, or any of its associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or other clients for which it received or may receive compensation. In addition, as an investment dealer, Clarus conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Restructuring of MAO.

Scope of Review

In connection with rendering this Opinion, we have reviewed and relied upon, among other things, the following:

- 1) the Company's internal financial model provided to Clarus on February 10, 2014;
- 2) the Consensual Restructuring Term Sheet Proposal provided to Clarus on March 11, 2014;
- 3) the draft Standstill Agreement between Mines Aurbec Inc., Entrepreneur Minier Promec Inc. and Gestion Abitibi Inc. provided to Clarus on February 16, 2014;
- 4) the Standstill Agreement between the Company, North American Palladium Ltd. and Blake, Cassels & Graydon LLP dated October 11, 2013;
- 5) the annual audited financial statements of MAO and accompanying management's discussion and analysis for the fiscal years ended December 31, 2011 and 2012;
- 6) the interim unaudited financial statements of MAO and accompanying management's discussion and analysis for the three and nine months ended September 30, 2013;
- 7) the final short form prospectus of MAO dated December 6, 2013;
- 8) the annual information form of MAO dated October 21, 2013;
- 9) the annual information form of MAO dated December 31, 2011;
- 10) the management information circular of MAO dated May 30, 2013 relating to its annual general meeting of shareholders held on June 26, 2013;
- 11) the management information circular of MAO dated June 27, 2012 relating to its annual general meeting of shareholders held on July 19, 2012;
- 12) the management information circular of MAO dated May 25, 2011 relating to its annual general meeting of shareholders held on June 28, 2011;
- 13) the "Technical Report and Mineral Resource Estimate on the Sleeping Giant Property" report, dated August 1, 2013, prepared by InnovExplo, of Val-d'Or, Quebec;
- 14) the "Updated Mineral Resources, Vezza Property, Matagami Area, Quebec compliant with National Instrument 43-101 Standards for Mineral Projects" report, dated December 31, 2012, prepared by GéoPointCom, of Val-d'Or, Quebec;

- 15) the “43-101 Technical Report and Mineral Resource Estimate-Osbell Deposit, Comtois” report, dated October 26, 2012, prepared by Alain Carrier, M.Sc.,P.Geo and Pierre-Luc Richard, M.Sc.,P.Geo, of InnovExplo Inc., consulting firm of Val-d’Or, Quebec, Christian D’Amours, B.Sc., P.Geo of GeoPointCom, consulting firm of Val-d’Or, Québec and Alain Dorval, Eng., of Roche Ltd., consulting group of Montréal, Québec;
- 16) public market trading statistics and business, operational and financial information of MAO and other publicly-traded entities considered by us to be relevant;
- 17) public information with respect to other transactions of a comparable nature considered by us to be relevant;
- 18) selected relevant reports published by equity research analysts and industry sources regarding other comparable publicly-traded entities;
- 19) representations contained in a certificate addressed to us, dated as of the date hereof, from senior officers of MAO as to the completeness and accuracy of the information provided to us by the Company; and
- 20) such other information, analyses, investigations and discussions as we considered necessary or appropriate in the circumstances.

In addition, we have participated in discussions with members of the senior management of the Company regarding the business, operations, financial condition and prospects that could result from the Restructuring and potential alternatives to the Restructuring.

We have not, to the best of our knowledge, been denied access by MAO to any information that we have requested relating to MAO or the Restructuring in the course of the preparation of this Opinion.

Assumptions and Limitations

This Opinion is subject to the assumptions, explanations and limitations set forth below. We have not been asked to prepare, and have not prepared, a formal valuation or appraisal of any of the assets or securities of the Company or any of its affiliates, and this Opinion should not be construed as such.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations, whether in writing, electronic or oral form, obtained by us from public sources, or provided to us by the Company or its representatives or advisors or otherwise obtained by us pursuant to our engagement, and this Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or attempted to verify independently the completeness, accuracy or fairness of presentation of any such information, data, advice, opinions and representations, and we do not undertake any obligation to independently verify the completeness, accuracy or fair presentation of any such information, data, advice, opinions and representations. To the extent that any of the certificates, statistics, financial information, technical reports, websites and other documents we have reviewed and relied upon are based upon any assumptions or are made subject to any limitations, qualifications or exceptions, this Opinion is based on the same assumptions and is subject to the same limitations, qualifications or exceptions.

We have not met separately with the independent auditors of the Company in connection with preparing this Opinion. Accordingly, with your permission, we have relied upon and assumed the accuracy and fair presentation of the Company’s audited financial statements and the reports of the auditors thereon. We have further assumed with your consent that the Restructuring will be consummated in accordance with the terms described in the Proposal. We assume that any further documentation relating to the Restructuring executed by MAO, Aurbec and FBC, including the definitive agreement to be entered into

with respect to the Restructuring, conforms in all material respects to the Proposal, including, without limitation, with respect to the conditions precedent to the completion of the Restructuring. Finally, we have assumed that all material governmental, regulatory or other required consents and approvals necessary for the consummation of the Restructuring will be obtained without any meaningful adverse effect on the Company or the contemplated benefits of the Restructuring.

With respect to the historical financial data, operating and financial forecasts and budgets provided to us by the Company concerning the Company, and relied upon in our financial analyses, we have assumed (subject to the exercise of our professional judgment) that they have been reasonably prepared on bases reflecting the most reasonable assumptions, estimates and judgments of management of the Company, respectively, having regard to the Company's business, financial condition, plans and prospects and that they provide a reasonable basis on which we can form this Opinion.

A senior officer of the Company has represented to us, in a certificate delivered as at the date hereof, among other things, that the information, data, advice, opinions and representations provided to us, directly or indirectly, orally or in writing, by the Company or any of its subsidiaries or their respective agents and advisors for the purpose of Clarus providing this Opinion (collectively, the "**Company Information**") was, at its respective date (or, in the case of historical information, as at the date of preparation), true, accurate and complete in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the Company Information not misleading in light of the circumstances under which such Company Information was presented, and that, since the dates on which such Company Information was provided to the Clarus, there has not been any material change relating to the Company, its subsidiaries or the Restructuring, or any change in any material fact contained in the Company Information, or any new material fact, which is of a nature as to render any portion of the Company Information untrue or misleading in any material respect, except for changes which have been generally disclosed or disclosed to Clarus or updated by more current information, data or other materials provided to Clarus.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Restructuring or the sufficiency of this Opinion for your purposes. In preparing this Opinion, Clarus has made several assumptions, including, without limitation, that all of the conditions required to implement the Restructuring will be met.

This Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company as they are reflected in the Company Information, and as they were represented to us in our discussions with management of the Company and its respective representatives and advisors, and we do not undertake any obligation to update this Opinion as a result of any change, whether or not material, in the securities markets, economic and general business and financial conditions or the conditions and prospects, financial and otherwise, of the Company. In our analyses and in connection with the preparation of this Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Restructuring.

This Opinion has been provided to the MAO Board and the Aurbec Board for their exclusive use only in considering the Restructuring and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of Clarus.. You may disclose this Opinion, refer to it and/or summarize it, provided that all such disclosure complies with applicable securities law and is in form and content satisfactory to us and our counsel, acting reasonably,

and provided further that the foregoing shall not prevent the Company from making such disclosure which, in the judgment of the Company upon the advice of counsel, is required or recommended under applicable securities laws.

This Opinion is given as of the date hereof and, although we reserve the right to change or withdraw this Opinion if we learn that any of the information that we relied upon in preparing this Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw this Opinion, to advise any person of any change that may come to our attention or to update this Opinion after the date of this Opinion. This Opinion addresses only the fairness as of the date hereof, from a financial point of view, to the Company and to Aurbec of the Restructuring, and does not address the relative merits of the Restructuring and any alternatives to the Restructuring.

The preparation of a fairness opinion is a complex process and is not necessarily amenable to partial analysis or summary description. Clarus believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by Clarus, without considering all factors and analyses together, could create an incomplete view of the process underlying the fairness opinion. Accordingly, this Opinion should be read in its entirety.

This fairness opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of Investment Industry Regulatory Organization of Canada but the Company has not been involved in the preparation or review of this fairness opinion.

Opinion

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the Restructuring is fair to the Company and to Aurbec, from a financial point of view.

Yours very truly,

Clarus Securities Inc.

APPENDIX D
MAUDORE MINERALS LTD.
AUDIT AND RISK COMMITTEE MANDATE

1. Purpose and Scope

The Audit and Risk Committee (the “**Committee**”) of **Maudore Minerals Ltd.** (the “**Corporation**”) is a committee of the Board of Directors (the “**Board**”). The Committee shall oversee the accounting and financial reporting practices of the Corporation and the audits of the Corporation’s financial statements, and shall review, evaluate and monitor the Corporation’s risk management program, including risk assessment, quantification of exposure, risk mitigation measures, and risk reporting. This Mandate sets out the responsibilities and duties of the Committee, and describes the qualifications and status required to become a member of the Committee. The Committee will, periodically and as required, make recommendations to the Board regarding the financial information, risk profile and accounting practices of the Corporation, mainly with regard to the process of reporting and disclosure.

2. Membership

(a) *Number of Members*

The Committee shall be composed of three or more members of the Board.

(b) *Independence of Members*

A majority of the members of the Committee shall be independent within the meaning of the provisions of National Policy 58-201 Corporate Governance Guidelines, as may be amended from time to time, subject to any exemptions or relief that may be granted from such requirements.

(c) *Term of Members*

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair of the Committee (a “**Chair**”) is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee.

3. Meetings

(a) *Frequency*

The Committee shall meet as often as is necessary to carry out its duties and responsibilities.

(b) *Convening*

A meeting of the Committee may be convened by the Chair, a quorum of the Committee members, the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, or the external auditors. All members of the Committee must be informed of any scheduled meeting and its agenda in a clear and timely fashion (allowing, nonetheless, that meetings may need to be called urgently, under extraordinary circumstances). In advance of any meeting, the Chair shall prepare and distribute an agenda of matters to be addressed at the meeting to the Committee members and others as deemed appropriate by the Chair.

(c) *Quorum*

A quorum is a simple majority of the Committee. Committee business may only be transacted in meetings at which a quorum is present. At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairman of the meeting shall not be entitled to a second or casting vote.

(d) *Attendance by Non Members*

Any Director of the Corporation may attend meetings of the Committee, with the consent of the Chair; however, only Committee members are entitled to vote on Committee business. The Committee also may invite to its meetings any member of management of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities and Mandate. The external auditors are entitled to attend and be heard at the Committee meeting convened for the review of annual financial reports and to any other meeting where the Committee may invite the auditors. At least once a year, the Committee shall meet with the external auditors and with management in separate sessions to discuss any matters that the Committee, the auditors, or management consider necessary. Meetings, or parts of meetings, shall be held without the presence of management.

(e) *Reporting*

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Minutes approved by the Committee shall be circulated to the members of the Board in a timely fashion. However, the Committee may report orally to the Board on any matter requiring, in its view, the attention of the Board.

4. Duties and Responsibilities of the Committee

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorised to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange where securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time (collectively, the Applicable Requirements).

(a) *Financial Reports*

The Committee is responsible for overseeing the Corporation's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Corporation. The auditors are responsible for auditing the Corporation's annual consolidated financial statements.

i. Review of annual financial reports. The Committee shall review the annual consolidated audited financial statements of the Corporation, the auditors' report thereon, the related management discussion and analysis of the Corporation's financial condition and results of operation (MD&A) and profit or loss press releases before the Corporation publically discloses this information. After completing its review, if advisable, the Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

ii. Review of interim financial reports. The Committee shall review the interim consolidated financial statements of the Corporation, the related MD&A and profit or loss press releases before the Corporation publically discloses this information. After completing its review, if advisable, the Committee shall approve the interim financial statements and the related MD&A.

iii. Review considerations. In conducting its review of the annual financial statements, the Committee shall, before such information is publicly disclosed by the Corporation:

A. meet with management and the auditors to discuss the financial statements and MD&A;

B. review the disclosures in the financial statements;

- C. review the audit report or review report prepared by the auditors;
- D. discuss with management, the auditors and internal legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;
- E. review the accounting policies followed and critical accounting and other significant estimates and judgments underlying the financial statements as presented by management;
- F. review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under International Financial Reporting Standards;
- G. review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;
- H. review managements report on the effectiveness of internal controls over financial reporting;
- I. review the factors identified by management as factors that may affect future financial results;
- J. review any complaints received by the Committee regarding accounting, internal accounting controls or auditing matters; and
- K. review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Committee under accounting policies, auditing standards or Applicable Requirements.

- iv. *Approval of other financial disclosures.* The Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated.
- v. *Risk management process.* The broad aim of risk management is to ensure that adequate procedures are in place to achieve the Corporation's objectives regarding effective, efficient operations and safeguarding of the Corporation's assets. Recognising the need for financial risk management, operational risk management, business risk management, and for revenue protection, the Committee shall periodically access and review the effectiveness of the Corporation's procedures for the identification, assessment, reporting and management of risks including the areas of crisis management, capital expenditure, taxation strategy, funding, commodity and foreign exchange and interest rate exposure, insurance coverage, fraud and information systems technology.

(b) *Auditors*

The Committee shall be responsible for oversight of the work of the auditors, including the auditors work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

- i. *Nomination and compensation.* The Committee shall review and, if advisable, select and

recommend for Board approval the external auditors to be nominated and the compensation of such external auditor. The Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditors audit plan.

- ii. *Resolution of disagreements.* The Committee shall resolve any disagreements between management and the auditors as to financial reporting matters brought to its attention.
- iii. *Discussions with auditors.* At least annually, the Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee.
- iv. *Audit plan.* At least annually, the Committee shall review a summary of the auditors annual audit plan. The Committee shall consider and review with the auditors any material changes to the scope of the plan.
- v. *Annual review report.* The Committee shall review a report prepared by the auditors regarding each of the annual financial statements of the Corporation.
- vi. *Independence of auditors.* At least annually, and before the auditors issue their report on the annual financial statements, the Committee shall obtain from the auditors a formal written statement describing all relationships between the auditors and the Corporation; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements. The Committee shall take appropriate action to oversee the independence of the auditors.
- vii. *Requirement for pre-approval of non-audit services.* The Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Corporation that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures. The Committee may delegate preapproval authority to a member of the Committee. The decisions of any member of the Committee to whom this authority has been delegated must be presented to the full Committee at its next scheduled Committee meeting.
- viii. *Approval of hiring policies.* The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- ix. *Financial executives.* The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

(c) *Internal Controls*

The Committee shall review the Corporation's system of internal controls.

- i. *Establishment, review and approval.* The Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Committee shall consider and review with management and the auditors:

- A. the effectiveness of, or weaknesses or deficiencies in: the design or operation of the Corporation's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory

controls and the impact of any identified weaknesses in internal controls on managements conclusions;

B. any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Corporation's periodic regulatory filings;

C. any material issues raised by any inquiry or investigation by the Corporation's regulators;

D. any related significant issues and recommendations of the auditors together with managements responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

ii. *Authority to Act.* The Committee shall be authorised to:

A. access all records and corporate information that it determines are required in order to perform its duties;

B. seek any information it requires from any employee of the Corporation in order to perform its duties;

C. direct any employee of Corporation to cooperate with any request for information made by the Committee;

D. call any employee to be questioned at a meeting of the Committee as and when required; and

E. monitor the behaviour of the Corporation with respect to occupational health, safety, training, corporate social responsibility, and environmental matters.

(d) *Compliance with Legal and Regulatory Requirements*

The Committee shall review reports from the Corporation's Corporate Secretary and other management members on: legal or compliance matters that may have a material impact on the Corporation; the effectiveness of the Corporation's compliance policies; and any material communications received from regulators. The Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and managements plans to remediate any deficiencies identified.

(e) *Whistleblower Procedures*

The Committee shall 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 of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Committee and, if the Committee determines that the matter requires further investigation, it will direct the Chair of the Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

(f) *Committee disclosures*

The Committee shall prepare, review and approve any Audit Committee disclosures required by Applicable Requirements in the Corporation's disclosure documents.

(g) *Authorisation*

The Committee shall have authority to:

- i.* have unrestricted access to the Corporation's management and employees and the books and records of the Corporation;
- ii.* designate a subcommittee to review any matter that falls within this Mandate, as the Committee deems appropriate, to the extent permissible by Applicable Requirements;
- iii.* hire third party consultants or lawyers, at its own discretion and without the approval of the Board but nonetheless funded by the Corporation, in order to assist with an investigation of possible irregularities or potential fraudulent activities that come to its attention or for such other matters where the external auditors are unable to provide support.

(h) *Compliance and Governance*

The Committee shall:

- i.* review the Corporation's policies and practices in light of current or forthcoming regulations, general business practice within the sector, or assessments by independent third parties;
- ii.* review this Mandate annually to monitor the Committee's own compliance and to check the Mandate's fitness for purpose.

5. Duties and Responsibilities of the Chair

The Chair of the Committee shall be appointed by Board annually and shall have the following specific duties:

- (a) scheduling, chairing, and approving the agendas for meetings of the Committee;
- (b) managing the affairs of the Committee;
- (c) monitoring whether the Committee is working effectively;
- (d) providing a link between the Committee and the Board;
- (e) monitoring whether the Committee is receiving timely information of appropriate quality before, during and after Committee meetings.

6. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Committees of the Board assist the Board in directing the affairs of the Corporation. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's Articles and By-laws, it is not intended to establish any legally binding obligations.

Adopted : October 2013