

NORTH AMERICAN TUNGSTEN CORPORATION LTD.

MANAGEMENT INFORMATION CIRCULAR

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

This information is given as of February 10, 2015
(unless otherwise noted)

SOLICITATION OF PROXIES

This Management Information Circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management of **NORTH AMERICAN TUNGSTEN CORPORATION LTD.** (the "**Company**") for use at the annual general and special meeting (the "**Meeting**") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by regular employees of the Company at nominal costs. All costs of solicitation by management will be borne by the Company.

APPOINTMENT OF PROXY HOLDER

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for and on behalf of the shareholder at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, a shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his or her nominee in the blank space provided, or complete another instrument of proxy.**

The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, CST Trust Company, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays. Proxies delivered by regular mail should be addressed to CST Trust Company, Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario, M1S 0A1. Proxies delivered by facsimile should be sent to CST Trust Company, Attention: Proxy Department, at (416) 368-2502. Proxies delivered by hand should be delivered to CST Trust Company, Attention: Proxy Department, 320 Bay Street, Banking Hall Level, Toronto, Ontario, M5H 4A6. Alternatively, shareholders may vote by the Internet and, if so, it is not necessary to return the proxy. Reference is made to the form of proxy for the specific instructions as to voting by internet.

The instrument of proxy must be signed by the shareholder or by the shareholder's duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarized certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives their power, as the case may be, or a notarized certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies which do not strictly conform to the foregoing requirements.

REVOCATION OF PROXIES

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder's name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those VIFs to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

This Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”). Subject to the provisions of National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf. The Company does not intend to pay for the delivery of the Meeting

Materials to the OBOs, and as a result OBOs will not receive the Meeting Materials unless their intermediary assumes the cost of delivery.

The Company has decided to take advantage of the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. Their name and address and information about their holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on their behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

The Meeting materials with a form of proxy will be forwarded to NOBOs by the Company's transfer agent, CST Trust Company. These proxies are to be completed and returned to CST Trust Company in the envelope provided or by facsimile. CST Trust Company will tabulate the results of the proxies received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the proxies they receive. The purpose of these procedures is to permit non-registered shareholders to direct the voting of the common shares they beneficially own.

Should a Beneficial Shareholder who receives either a proxy or a VIF wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Beneficial Shareholder), the Beneficial Shareholder should strike out the names of the persons named in the proxy and insert the Beneficial Shareholder's (or such other person's) name in the blank space provided, or in the case of a VIF, follow the instructions on the form. By doing so the Beneficial Shareholder is instructing the intermediary to appoint them or their designee as proxyholder.

In any event, Beneficial Shareholders should carefully follow the instructions of their intermediaries and their service companies or CST Trust Company, as the case may be.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

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

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the common shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution will do so in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such common shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular. The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee

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

Other than as disclosed herein and elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, **except as follows:**

- (a) election of directors; and
- (b) directors and executive officers have an interest in the Stock Option Plan (see "Particulars to be Acted Upon – Incentive Stock Option Plan").

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company 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 disclosed herein and elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

On July 2, 2014 the Company executed a USD\$12.0 million promissory note with Queenwood Capital Partners II LLC ("**Queenwood II**") to replace its \$12.0 million working capital loan facility with HSBC Bank Canada which expired June 30, 2014. The maturity date for the Queenwood II promissory note is October 1, 2015. Interest is payable at 12% per annum with interest payable quarterly on March 31, June 30, September 30 and December 31 of each year, with any remaining accrued and unpaid interest payable on the maturity date. The Company has provided a general security agreement that has been subordinated to the Company's other secured indebtedness, as security for the promissory note. Ronald Erickson, a director of the Company, and Kurt Heikkila, a director and the President and Chief Executive Officer of the Company, collectively own all of the issued and outstanding units of Queenwood II.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On February 10, 2015, 238,123,058 common shares of the Company without par value (“**Common Shares**”) were issued and outstanding, each Common Share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each Common Share of which he is the holder.

Only holders of Common Shares of record at the close of business on the February 10, 2015 who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his or her Common Shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, only the following beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to all outstanding voting securities of the Company:

Name of Shareholder	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Ronald Erickson and Kurt Heikkila	42,597,902 ⁽¹⁾⁽²⁾	17.9%
Kevin Douglas, trustee of K&M Douglas Trust	33,589,500 ⁽³⁾⁽⁴⁾	14.1%

- (1) The information as to Common Shares beneficially owned or over which Ronald Erickson exercises control or direction has been provided by Ronald Erickson and is taken from the Early Warning Report filed by Queenwood Capital Partners II LLC dated March 24, 2014 pursuant to which Ronald Erickson and Kurt Heikkila are considered to be acting jointly and in concert with respect to all Common Shares owned by each of them.
- (2) The information as to Common Shares beneficially owned or over which Kurt Heikkila exercises control or direction has been provided by Kurt Heikkila and is taken from the Early Warning Report filed by Queenwood Capital Partners II LLC dated March 24, 2014 pursuant to which Ronald Erickson and Kurt Heikkila are considered to be acting jointly and in concert with respect to all Common Shares owned by each of them.
- (3) The information as to Common Shares beneficially owned or over which Kevin Douglas, trustee of K&M Douglas Trust, exercises control or direction as disclosed in an Early Warning Report dated April 19, 2012 as filed on www.sedar.com.
- (4) Through or on behalf of the following: K&M Douglas Trust, Douglas Family Trust, James E. Douglas III and Douglas Irrevocable Descendants Trust.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Election of Directors

The number of directors of the Company is currently fixed at six. Each director of the Company is elected annually and holds office until the next Annual Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the Common Shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The persons named in the enclosed proxy form intend to vote FOR the election of the nominees whose names are listed below, unless the shareholder has specified on his or her proxy form that his or her Common Shares are to be withheld from voting in regard to the election of directors.

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations and the number of Common Shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation During the Past 5 Years ⁽¹⁾	Director Since	Number of Common Shares Beneficially Owned or Controlled ⁽²⁾
RONALD ERICKSON ⁽⁵⁾ Minnesota, USA Director	Chairman and Chief Executive Officer of Holiday Companies, a private business entity owning, operating and franchising 450 gasoline/convenience stores in the USA along the Northern Tier and in Alaska.	2008	42,597,902 Common Shares
KURT HEIKKILA ⁽⁴⁾⁽⁶⁾ Minnesota, USA Director (Chairman), President and Chief Executive Officer	Founder and President of the Tundra group of Companies and Wild River Consulting Group. The Tundra group of Companies specializes in research, development and the production of unique nano-technology composite materials and products which are distributed through licensed contracts with business partners or directly through their internal Tundra [®] brand.	2009	42,597,902 Common Shares
ALLAN KRASNICK ⁽³⁾⁽⁴⁾⁽⁶⁾ British Columbia, Canada Director	Corporate and commercial lawyer, business person, public policy advisor and motion picture producer.	2004	252,000 Common Shares
DENNIS LINDAHL ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾ Minnesota, USA Director and Chief Financial Officer	Managing Director of Queenwood Partners LLC, an investment consulting firm.	2013	1,540,450 Common Shares
BRYCE M.A. PORTER ⁽³⁾⁽⁵⁾ British Columbia, Canada Director	Director of, Golden Reign Resources Ltd. public mining company. Former Director and President of EastCoal Inc., a mining company; former Director and President of Primary Metals Inc.; and former Chairman of Beralt Tin & Tungsten (Portugal) S.A a tungsten mining company.	2006	100,000 Common Shares
BRIAN E. ABRAHAM ⁽⁵⁾⁽⁶⁾ British Columbia, Canada Director	Partner, Dentons Canada LLP, a law firm.	2014	Nil

⁽¹⁾ The information as to the country of residence and principal occupation, not being within the knowledge of the Company has been furnished by the respective directors individually.

⁽²⁾ The information as to Common Shares beneficially owned or over which a director exercises control or direction has been provided by the respective directors individually.

⁽³⁾ Denotes Member of the Audit Committee.

⁽⁴⁾ Denotes Member of the Compensation Committee.

⁽⁵⁾ Denotes Member of the Corporate Governance and Nominating Committee.

⁽⁶⁾ Denotes Member of the Environment, Health and Safety Committee.

The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next Annual Meeting of the Company.

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director or executive officer of any company that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

B. Appointment of Auditor

Management proposes that PricewaterhouseCoopers, LLP, Chartered Accountants, of PricewaterhouseCoopers Place, 250 Howe Street, Suite 700, Vancouver, British Columbia, Canada, V6C 3S7, be re-appointed auditors of the Company for the ensuing year at a remuneration to be negotiated between the auditors and the directors.

The persons named in the enclosed proxy form intend to vote FOR the appointment of PricewaterhouseCoopers, LLP, Chartered Accountants, as auditors of the Company and the authorization to the board of directors to fix their remuneration unless the shareholder specifies that his or her proxy form be withheld from voting thereon.

C. Incentive Stock Option Plan

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass, with or without variation, an ordinary resolution approving the renewal of the Company's Stock Option Plan (the "**Plan**"). The Plan was initially approved by shareholders at the Company's annual and special meeting held March 28, 2003 and subsequently re-approved at each annual meeting of the Company thereafter. It is a condition of the TSX Venture Exchange (the "**Exchange**") that shareholder approval be obtained annually for stock option plans which have a "rolling plan" ceiling. The purpose of the Plan is to assist the Company in attracting, retaining and motivating directors, officers and employees of the Company and to closely align the personal interests of such directors, officers and employees with the interests of the Company and its shareholders. Options granted under the Plan are non-assignable and may be granted for a term not exceeding that permitted by the Exchange. A summary of the material aspects of the Plan is as follows:

1. the Plan will be administered by the Company's board of directors or, if the board so designates, a Committee of the board appointed in accordance with the Plan to administer the Plan;
2. the maximum number of Common Shares in respect of which options may be granted pursuant to the Plan is equivalent to 10% of the issued and outstanding Common Shares at the date of grant, less the number of Common Shares, if any, subject to prior options;
3. following termination of an optionee's employment, directorship, consulting agreement or other qualified position, the optionee's option shall terminate upon the expiry of such period of time following termination, not to exceed 90 days (not to exceed 30 days if the optionee is engaged in providing investor relations services), as has been determined by the directors;
4. an option granted under the Plan will terminate one year following the death of the optionee. These provisions do not have the effect of extending the term of an option which would have expired earlier in accordance with its terms, and do not apply to any portion of an option which had not vested at the time of death or other termination;
5. as long as required by Exchange policy, no one individual may receive options on more than 5% of the issued and outstanding Common Shares of the Company (the "**Outstanding Shares**") in any 12 month period, no more than an aggregate of 10% of the issued Common Shares of the Company, within any 12 month period may be granted to insiders of the Company, unless the Company has received disinterested shareholder approval; no one consultant may receive options on more than 2% of the Outstanding Shares in any 12 month period, and options granted to persons employed to provide investor relations services may not exceed, in the aggregate, 2% of the Outstanding Shares in any 12 month period;

6. options may not be granted at prices that are less than the Discounted Market Price as defined in Exchange policy which, subject to certain exceptions, generally means the most recent closing price of the Common Shares on the Exchange, less a discount of from 15% to 25%, depending on the trading value of the Common Shares;
7. Notwithstanding any provision in this Plan or in any Option Agreement, the Company may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any option, the option shares, the shares, or other benefit under the Plan or any Option Agreement, including without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of any or all of the option shares, until such time as the optionee has paid the Company any amount which the Company is required to withhold with respect to such taxes. For greater certainty, the Company shall be entitled to withhold and sell any or all of the option shares on the optionee's behalf in order to satisfy the Company's withholding tax liability.
8. except as described in item 9 below, any amendment of the terms of an option shall be subject to any required regulatory and shareholder approvals; and
9. in the event of a reorganization of the Company or the amalgamation, merger or consolidation of the Common Shares, the board of directors shall make such appropriate provisions for the protection of the rights of the optionee as it may deem advisable.

A copy of the Company's current Plan will be available for review at the Meeting. The directors recommend that shareholders approve the renewal of the Company's Plan.

SHAREHOLDER APPROVAL

The form of the resolution to be placed before shareholders at the Meeting is as follows:

"BE IT RESOLVED THAT, as an ordinary resolution, with or without variation:

1. The Company's stock option plan (the "**Plan**") as approved by shareholders at the Company's annual and special meeting on March 28, 2003 and subsequently renewed at each annual meeting of the Company thereafter be hereby re-approved and the board of directors of the Company is hereby authorized to make any amendments to the Plan, as permitted by the Plan, that the board of directors acting in good faith considers to be necessary and desirable and which do not materially adversely affect the interest of the holders of options.
2. Any one director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to perform all such acts and deeds and things and execute, under the corporate seal of the Company or otherwise, deliver and file all documents and instruments and take such other actions as such director or officer may determine to be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions."

The persons named in the enclosed proxy form intend to vote at the Meeting FOR the ordinary resolution re-approving the Plan, unless the shareholder has specified on his or her proxy form that his or her Common Shares are to be voted against the ordinary resolution re-approving the Plan.

D. Extension of Shareholders Rights Plan

On February 8, 2001, the Board adopted a Shareholder Rights Plan (the "**Rights Plan**") which was executed on February 13, 2001. The Rights Plan was approved by the shareholders of the Company at the Company's Annual General and Special Meeting held March 21, 2001 and by the Exchange on June 5, 2001. The Rights Plan had an original term of approximately two years, subject to renewal in accordance with its terms. On March 22, 2013 an extension to the term of the Rights Plan was approved by the shareholders of the Company at the Company's Annual General and Special Meeting. The renewal of the Rights Plan has a term of approximately two years and will remain in effect until the close of business of the first Annual Meeting of Shareholders of the Company

occurring following two years from March 18, 2015. Directors are recommending that shareholders approve the extension of the term of the Rights Plan for a further two year period, such that the Rights Plan will remain in effect until the close of the first Annual Meeting of Shareholders of the Company occurring following two years from March 18, 2015. Approval of the extension of the term of the Rights Plan by shareholders is required by the Exchange. The Rights Plan is similar to plans adopted by several other Canadian companies and approved by their shareholders.

DIRECTORS' RECOMMENDATION

The Board has determined that the Rights Plan is in the best interests of the Company and its shareholders and unanimously recommends that shareholders vote in favour of extending the term of the Rights Plan for a further two (2) years.

SUMMARY BACKGROUND AND PURPOSE OF THE RIGHTS PLAN

(The capitalized terms used below in relation to the Rights Plan that are not otherwise defined herein have the same meaning given to them in the Rights Agreement.)

The Rights Plan is designed to encourage the fair treatment of shareholders in connection with any take-over bid for the Company. The Rights Plan will provide the Board and the shareholders with more time to fully consider any unsolicited take-over bid for the Company; it will allow the Board to pursue, if appropriate, other alternatives to maximize shareholder value and it will allow additional time for competing bids to emerge. Existing securities legislation in Canada requires a take-over bid to remain open for only thirty-five (35) days. The Board does not believe that this period is sufficient to permit the Board to determine whether there may be alternatives available to maximize shareholder value or whether other bidders may be prepared to pay more for the Common Shares than the Offeror. In addition, the Board is concerned that, while securities legislation has addressed many concerns of unequal treatment of shareholders, there remains the possibility that control or effective control may be acquired pursuant to a private agreement in which a small number of shareholders dispose of Common Shares at a premium to market price which is not shared with the other shareholders. Also, a person may slowly accumulate Common Shares through stock exchange acquisitions which may result, over time, in an acquisition of control without payment of fair value for control or fair sharing of any control premium among all shareholders. The Rights Plan addresses these concerns by applying to all acquisitions of 20% or more of the Common Shares of the Company.

Under the Rights Plan, a bidder making a Permitted Bid (as defined below) for the Common Shares may not take up any Common Shares before the close of business on the sixtieth (60th) day after the date of the bid and unless at least 50% of the Common Shares not Beneficially Owned by the person making the bid and certain related parties are tendered or deposited and not withdrawn, in which case, a public announcement of that fact must be made and the bid must be extended for ten (10) business days on the same terms. The Rights Plan will encourage an Offeror to proceed by way of a Permitted Bid, or to approach the Board with a view to negotiation by creating the potential for substantial dilution of the Offeror's position. The Permitted Bid provisions of the Rights Plan are designed to ensure that in any take-over bid, all shareholders are treated equally, receive the maximum available value for their investment and are given adequate time to properly assess the bid on a fully informed basis.

In recent years, unsolicited take-over bids have been made for the shares of a number of Canadian companies, particularly in the mining industry. Many of these companies had a shareholder rights plan in place which was used by the board of directors of the target company to gain time to seek alternatives to the bid with the objective of enhancing shareholder value. In most cases, a change of control ultimately occurred at a price in excess of the original bid price; accordingly, the existence of a shareholder rights plan should not and is not intended to prevent unsolicited take-over bids for the common shares.

Canadian securities regulators have concluded in recent decisions relating to shareholder rights plans that a target company's board of directors will not be permitted to maintain a shareholder rights plan solely to prevent a bid, but may do so if the board is actively seeking alternatives to a take-over bid, and if there is a real and substantial possibility that the board can increase shareholder choice and maximize shareholder value.

The Rights Plan extension is not being proposed in response to, or in anticipation of, any particular acquisition or take-over offer and is not intended to prevent a take-over of the Company, to secure continuance of current management or the directors in office or to deter fair offers. The Rights Plan does not inhibit any shareholder from using the proxy mechanism set out in the *Canada Business Corporations Act* to promote a change in the management or direction of the Company. The Rights Plan may, however, increase the price to be paid by a potential Offeror to obtain control of the Company and may discourage certain opportunistic and coercive offers that might not be in the best interests of all shareholders.

The Rights Plan does not affect in any way the financial condition of the Company. The initial issuance of the Rights is not dilutive and will not affect reported earnings or cash flow per share until the Rights separate from the underlying Common Shares and become exercisable. The adoption of the Rights Plan will not lessen or affect the duty of the Board to act honestly and in good faith with a view to the best interests of the Company and its shareholders.

TERMS OF THE RIGHTS PLAN

The following is a summary of the terms of the Rights Plan. This summary is qualified in its entirety by the Rights Agreement. The full text of the Rights Plan will be available for review at the Meeting and is available prior to the Meeting upon request.

To implement the Plan, one Right has been issued by the Company pursuant to the Rights Agreement in respect of each common share outstanding at 5:00 p.m. (Vancouver time) on February 13, 2001 (the "**Record Time**"). One Right also will be issued for each additional Common Share issued after the Record Time and prior to the earlier of the Separation Time (as defined below) and the Expiration Time. Each Right will entitle the holder, from and after the separation time and prior to the Expiration Time, to purchase from the Company one Common Share at a price equal to one half of the market price for the Common Shares of the Company, subject to certain anti-dilution adjustments. The Rights will not be exercisable until the Separation Time. Upon the occurrence of a Flip-in Event, each Right held by a non-Acquiring Person will become exercisable and may be traded separately from the Common Shares.

The issuance of Rights will not change the manner in which shareholders currently trade their common shares. Shareholders do not have to return their share certificate(s) in order to have the benefit of the Rights.

Until the Separation Time, the Rights will trade together with the Common Shares, will be represented by the Common Share certificate, and will not be exercisable. After the Separation Time, the Rights will become exercisable, will be evidenced by Rights certificates, and will be transferable separately from the Common Shares.

The Separation Time is defined in the Rights Agreement as the close of business on the eighth (8th) Trading Day (or such later day as may be determined by the Board) after the earlier of:

- (a) the Stock Acquisition Date, which is the date of the first public announcement that a Person has become an Acquiring Person (defined in the Rights Agreement as a person who has acquired, other than pursuant to an exemption available under the Rights Plan or pursuant to a Permitted Bid, Beneficial Ownership of 20% or more of the Voting Shares of the Company); and
- (b) the date of the commencement of, or first public announcement (provided such announcement is made after the Record Time) of an intention of any Person (other than the Company or any Subsidiary of the Company) to commence, a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid) to acquire Beneficial Ownership of 20% or more of the Voting Shares of the Company.

A Permitted Bid is defined in the Rights Agreement as a Take-over Bid which is made by means of a Take-over Bid circular and which also complies with the following requirements:

- (a) the Take-over Bid is made to all registered holders of Voting Shares;
- (b) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares shall be taken

up or paid for pursuant to the Take-over Bid prior to the close of business on the date which is not less than sixty (60) days after the date of the Take-over Bid and only if at such date more than 50% of the Voting Shares held by Independent Shareholders, including those held by the Acquiring Person, shall have been deposited or tendered pursuant to the Take-over Bid and not withdrawn;

- (c) the Take-over Bid contains an irrevocable and unqualified provision that, unless the Take-over Bid is withdrawn, Voting Shares may be deposited pursuant to such Take-over Bid at any time during the period of time specified in (b) above and that any Voting Shares deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and
- (d) the Take-over Bid contains an irrevocable and unqualified provision that if, on the date on which Voting Shares may be taken up and paid for, more than 50% of the Voting Shares held by Independent Shareholders shall have been deposited or tendered pursuant to the Take-over Bid and not withdrawn, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Voting Shares for not less than ten (10) business days from the date of such public announcement.

If an Offeror successfully completes a Permitted Bid, the Rights Plan provides that the Rights will be redeemed at \$0.00001 per Right.

A Permitted Bid, even if not approved by the Board, may be taken directly to the shareholders of the Company. Shareholder approval will not be required for a Permitted Bid. Instead shareholders of the Company will initially have sixty (60) days to tender or to deposit their shares. If more than 50% of the Voting Shares (other than shares Beneficially Owned by the Offeror) have been tendered or deposited and not withdrawn by the end of such sixty (60) day period, the Permitted Bid must be extended for a further period of ten (10) business days to allow initially disapproving shareholders to deposit their shares if they so choose.

If a potential Offeror does not wish to make a Permitted Bid, it can negotiate with, and obtain the prior approval of, the Board to make a bid pursuant to a Take-over Bid circular on terms which the Board considers fair to all shareholders. In such circumstances, the Board may waive the application of the Rights Plan to the transaction, thereby allowing such bid to proceed without dilution of the Offeror, and will be deemed to have waived the application of the Rights Plan to all other contemporaneous bids made by Take-over Bid circular. All other waivers require shareholder approval except in the case of inadvertent triggering of the application of the Rights Plan.

Under the Rights Agreement, a Flip-in Event is any transaction pursuant to which any Person becomes an Acquiring Person. Except as set out below, upon the occurrence of any Flip-in Event, from and after the close of business on the eighth (8th) trading day following the Stock Acquisition Date:

- (a) any Rights Beneficially Owned by the Acquiring Person and Affiliates, Associates and Transferees of the Acquiring Person or any Person acting jointly or in concert with the Acquiring Person will become void; and
- (b) each Right (other than Rights which are void) will entitle the holder thereof to purchase that number of common shares having an aggregate market price on the date of consummation or occurrence of such Flip-in Event equal to twice the relevant Exercise Price.

Accordingly, a Flip-in Event that is not approved by the Board will result in significant dilution to an Acquiring Person. The Board may, with shareholder approval, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the outstanding Rights at a redemption price of \$0.00001 per Right.

The Company may, from time to time, supplement or amend the Rights Agreement to correct clerical or typographical errors or to maintain the validity of the Rights Agreement as a result of a change in law. All other amendments after the Meeting require shareholder approval.

SHAREHOLDER APPROVAL

The form of the resolution to be placed before shareholders at the Meeting is as follows:

“BE IT RESOLVED THAT, AS AN ORDINARY RESOLUTION, WITH OR WITHOUT VARIATION:

1. The shareholder rights plan as approved by shareholders at the Company's Annual General and Special Meeting on March 23, 2001 and subsequently renewed for a further two (2) years at the Company's Annual General and Special Meeting on March 22, 2013 be extended for a period of a further two (2) years and the Board of Directors of the Company is hereby authorized to make any amendments to the shareholder rights plan that the Board of Directors acting in good faith considers to be necessary and desirable and which do not materially adversely affect the interests of holders of rights.
2. The Board of Directors of the Company is authorized to perform such further acts and execute such further documentation as may be required to give effect to the foregoing.”

The persons named in the enclosed form of proxy intend to vote at the Meeting FOR the approval of the extension of the term of the Rights Plan, unless the shareholder has specified on his or her proxy form that his or her Common Shares are to be voted against the ordinary resolution approving the extension of the terms of the Rights Plan.

OTHER MATTERS TO BE ACTED UPON

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. The Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting; the Common Shares represented by the proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

STATEMENT OF EXECUTIVE COMPENSATION

A. Executive Officers of the Company

For the purposes of this Information Circular:

"CEO" of the Company means each individual who served as Chief Executive Officer of the Company or acted in a similar capacity during the most recently completed financial year;

"CFO" of the Company means each individual who served as Chief Financial Officer of the Company or acted in a similar capacity during the most recently completed financial year;

"executive officer" of the Company means an individual who is the (i) Chairman or Vice-Chairman of the board, the President, (ii) a Vice-President in charge of a principal business unit, division or function including sales, finance or production, (iii) or any other individual who performed a policy-making function in respect of the Company; and

"Named Executive Officers" or "NEO" means:

- (a) CEO;
- (b) CFO;
- (c) each of the Company's three most highly compensated executive officers, including any of its subsidiaries, other than the CEO and CFO, who were serving as executive officers, or other individual acting in a similar capacity at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000; and

- (d) any additional individuals who would have been included under paragraph (c) were it not for the fact that the individual was not serving as an executive officer at the end of the most recently completed financial year.

B. Compensation Discussion and Analysis

The Company's executive compensation program is overseen by the Compensation Committee of the board of directors. The Compensation Committee is composed of Dennis Lindahl (Chairman), Kurt Heikkila and Allan Krasnick. Allan Krasnick is the only independent director of the Compensation Committee. The Compensation Committee is responsible for making recommendations to the board of directors with respect to (a) the compensation of the Chief Executive Officer of the Company; (b) on the advice of the Chief Executive Officer, the compensation of the other NEOs of the Company; (c) the policies related to providing Company stock options to executives; (d) executive appointments, employment agreements and terminations; and (e) the amount and form of directors' compensation.

The board of directors is of the view that the Compensation Committee collectively has the knowledge, skills, experience and background to make decisions on the suitability of the Company's compensation policies and practices. See "Relevant Education and Experience" under "Audit Committee and Relationship with Auditor" for a description of the skills and experience of Dennis Lindahl and Allan Krasnick. Kurt Heikkila earned an M.S. degree from the University of Minnesota in Analytical Chemistry and has been awarded 42 patents during his career. He has a lifetime of experience as a business innovator and industrial problem-solver, successfully leading in both enterprise environments and entrepreneurships. Kurt Heikkila began his professional career in 1982 at Ecolab, as a project manager, followed by management roles at Cambrex Corporation (1984-1986) and E.I. DuPont de Nemours & Company (1986-1988). In 1988 he founded Aspen Research Corporation, which he sold in 1997 to Andersen Corporation, the largest window and door manufacturer in North America, becoming Andersen's Senior Vice President, Technology and Business Development in the process. In 2003 he left Andersen to found Wild River Consulting Group, where he continues to serve as president while also leading Tundra Companies, which he founded in 2004.

There are no restrictions on NEOs or directors regarding the purchase of financial instruments including for greater certainty, prepaid variable forward contracts, equity swaps, collars, units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by an NEO or director. To the knowledge of the Company, for the financial year ended September 30, 2014, no NEO or director, directly or indirectly, employed a strategy to hedge or offset a decrease in market value of equity securities granted as compensation or held.

It is the Company's objective to provide maximum shareholder benefit from the retention of a high quality board of directors and executive officers by remunerating directors and executive officers fairly and appropriately with reference to relevant employment market conditions. The primary goal of the Company's executive compensation program is to:

- (a) retain and motivate executive officers;
- (b) attract high quality management to the Company; and
- (c) provide performance incentives that allow executive officers to share in the success of the Company.

The Compensation Committee does not rely on any formula, or objective criteria and analysis to determine an exact amount of compensation to pay. In addition to informal industry comparables from publicly available information, salaries are also affected by the individuals' performance, level of experience, level of responsibility and length of service. The total compensation plan for executive officers is comprised of three components: base salary or consulting fees, annual incentives and incentive stock options. There is no policy or target regarding cash and non-cash elements of the Company's compensation program.

The board of directors and the Compensation Committee oversee the Company's compensation policies and practices. The board of directors and the Compensation Committee has reviewed the risks of the compensation policies and practices but has not considered those risks to be material or adverse to the interests of the Company. There are no specific compensation benefits for NEO's that would encourage a NEO to take inappropriate risks; the Company does not focus on any particular performance metric. With respect to the longer-term component of executive compensation, options granted to executive officers under the Company's Stock Option Plan serve to align the interests of those persons with the shareholders, and therefore mitigates any excessive risks that may be taken by the executive officers. As options are priced at market value at the time of grant and are subject to vesting schedules, the benefits of such compensation, if any, may not be realized by the executive until a period of time has passed. Accordingly, the ability of NEO's to take inappropriate or excessive risks that are beneficial to them from the standpoint of their compensation at the expense of the Company and its shareholders is limited.

The Compensation Committee periodically reviews the Company's compensation policies and practices to assess the risks to the Company and to ensure the alignment of such policies and practices with the interests of stakeholders of the Company.

A discussion of the elements of the current executive compensation is provided below.

Base Salary

In determining the base fees of executive officers, the Compensation Committee considers the following:

- a) the recommendations of the Chief Executive Officer of the Company (other than with respect to the compensation of the Chief Executive Officer);
- b) the particular responsibilities related to the position;
- c) the experience, expertise and level of the executive officer;
- d) the executive officer's length of service to the Company; and
- e) the executive officer's overall performance based on informal feedback.

There is no mandatory framework that determines which of the above-referenced factors may be more or less important and the emphasis placed on any of these factors is at the discretion of the Compensation Committee and may vary among the executive officers. In respect of the base fees paid to the Chief Executive Officer, the board of directors also broadly considered the performance of the Chief Executive Officer against the Company's performance in the previous year. The Company does not engage in benchmarking and did not focus on any particular performance metric.

Annual incentives (Cash Bonus)

NEOs are eligible for an annual discretionary bonus, payable in cash. The board of directors approves such annual incentives relying on recommendations of the Compensation Committee in granting them. The Compensation Committee assesses each active NEOs performance and his or her respective contribution to the Company's success, and after taking into account the financial and operation performance of the Company, makes a recommendation to the board.

During the financial years ended September 30, 2012, September 30, 2013 and September 30, 2014, the board of directors did not pay a bonus to any of the NEOs of the Company.

Equity Participation

The Company believes that encouraging its NEOs and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Plan. Stock options are granted to NEOs taking into account a number of factors, including the amount and terms of options previously granted, base compensation, level of responsibility, length of service and competitive factors.

There have been no actions, decisions or policies made after September 30, 2014 that could affect a reader's understanding of NEO compensation.

Option-Based Awards

The Company has established the Plan to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. Suggested grants of options are made by the Chief Executive Officer to the Compensation Committee. The Compensation Committee approves the grant of options to employees and/or consultants. The Compensation Committee submits a recommendation to the board of directors for the grant of options to officers and directors. The Plan provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. Options are granted at market price for a term of up to a maximum of five years and vesting provisions are determined by the directors of the Company. Details of the Plan are provided under "Particulars of Matters to be Acted Upon – Incentive Stock Option Plan."

C. Summary Compensation Table

The following table sets forth information concerning the compensation paid to the NEOs during the Company's most recently completed financial year ended September 30, 2014.

Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽¹⁾	Total compensation (\$) ⁽¹⁾
					Annual incentive plans	Long term incentive plans			
Kurt Heikkila ⁽³⁾ President and Chief Executive Officer and Director (Chairman)	2014	Nil	N/A	Nil	N/A	N/A	N/A	63,583 ⁽⁵⁾	63,583 ⁽⁶⁾⁽⁷⁾
	2013	Nil	N/A	Nil	N/A	N/A	N/A	45,500 ⁽⁵⁾	45,500 ⁽⁶⁾⁽⁷⁾
	2012	Nil	N/A	54,000	N/A	N/A	N/A	24,000 ⁽⁵⁾	78,000 ⁽⁶⁾⁽⁷⁾
Dennis Lindahl ⁽⁴⁾ Chief Financial Officer and Director	2014	Nil	N/A	Nil	N/A	N/A	N/A	48,625 ⁽⁵⁾	48,625
	2013	Nil	N/A	Nil	N/A	N/A	N/A	42,560 ⁽⁸⁾	42,560
	2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ Perquisites and other personal benefits that are less than \$50,000 or 10% of the total annual salary for such NEO are generally not reported.

⁽²⁾ The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Company has chosen to use the Black-Scholes model because it is an accepted industry standard and is appropriate for the Company's financial reporting requirements to security regulatory authorities. No options were granted during the financial years ended September 30, 2013 and September 30, 2014. The 2012 grant was calculated using the Black-Scholes option pricing model based on an expected option life of 4.0 years, a dividend yield of 0%, a risk free interest rate of 1.33% and expected volatility of 89% and a share price of \$0.42, giving a per option fair value of \$0.27.

⁽³⁾ Kurt Heikkila was appointed Chairman of the Company effective February 12, 2013; appointed President and Chief Executive Officer effective June 6, 2013.

⁽⁴⁾ Dennis Lindahl was appointed Chief Financial Officer effective June 6, 2013.

⁽⁵⁾ Directors fees.

⁽⁶⁾ In addition, \$543,091 was paid or payable to Wild River Consulting, a Company for which Kurt Heikkila is president and which is co-owned by Kurt Heikkila and Queenwood Capital Partners, for technical consulting, lab services, transaction due diligence and analytical services. In 2013, consulting and services fees of \$594,004 were paid and in 2012, consulting and services fees of \$237,017 were paid by the Company to Wild River Consulting. Amounts exclude reimbursements for travel and expenses incurred related to work done for the Company.

⁽⁷⁾ Kurt Heikkila and Ronald Erickson had an interest in a \$12 million Working Capital Loan facility between the Company and HSBC Bank Canada (the "Bank"). The loan facility was backed by a Letter of Credit ("L/C") which was sponsored by these two directors, ("Sponsors"). The Sponsors and the Bank entered in a "Put" Agreement which may be triggered by the Bank at its sole discretion. The "Put" Agreement was backed by an irrevocable letter of credit from the Sponsors. In exchange for entering into the "Put" Agreement and funding the L/C, the Company compensated the Sponsors as detailed in the Company's audited consolidated financial statements for the year ended September 30, 2014 and Management Discussion and Analysis prepared as of January 13, 2015 which are available on SEDAR at www.sedar.com. During the year ended September 30, 2014 the HSBC loan was repaid.

A fee of US\$230,000 was paid to Kurt Heikkila in 2014, US\$263,814 in 2013 and US\$271,630 in 2012 for Sponsorship of this facility.

⁽⁸⁾ Dennis Lindahl was appointed a director of the Company effective March 22, 2013. These amounts consist of director fees (\$22,250) and other consulting related fees (\$20,310) paid to Dennis Lindahl commencing March 22, 2013.

D. Incentive Plan Awards

The Company has in place the Plan for the purpose of attracting and motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Plan to purchase Common Shares. See "Particulars Of Other Matters To Be Acted Upon – Incentive Stock Option Plan" for details relating to the Plan.

The Company did not grant stock options to the NEOs during the Company's most recently completed financial year ended September 30, 2014.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS FOR THE MOST RECENTLY COMPLETED FINANCIAL YEAR-END

The following table sets forth details of all awards outstanding as at September 30, 2014, (based on September 30, 2014 closing share price of \$0.07) including awards granted prior to the most recently completed financial year to NEOs.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of Unexercised vested in the-Money Options	Number of shares or units of shares that have not vested (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Kurt Heikkila	200,000	0.19	Feb. 1, 2015	N/A	N/A	N/A	N/A
	200,000	0.42	Mar. 8, 2017	N/A			
Dennis Lindahl	Nil	N/A	N/A	N/A	N/A	N/A	N/A

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the NEOs.

Name	Option-based awards – Value vested during the year \$	Share based awards – Value vested during the year \$	Non-equity incentive plan compensation – Value earned during the year \$
Kurt Heikkila	Nil	N/A	N/A
Dennis Lindahl	N/A	N/A	N/A

E. Pension Plan Benefits

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

F. Termination and Change of Control Benefits

Employment/Consulting Contracts

The Company did not have any employment or consulting agreements in place for NEOs at the end of the most recently completed financial year end.

Subsequent to the most recently completed financial year end, the Company entered into employment agreements with the CEO, Kurt Heikkila, and CFO, Dennis Lindahl. The employment agreements are effective January 1, 2015 and will remunerate each individual USD\$120,000 per annum. In the event of termination by the Company without cause, each individual will be provided with a lump sum payment equal to one month of the individual's base salary at the effective date of the termination.

Termination and Change of Control Benefits

The Company is not party to any contracts, and have not entered into any plans or arrangements which require compensation to be paid to the NEOs in the event of:

- (a) resignation, retirement or any other termination of employment with the Company or one of its subsidiaries;
- (b) a change of control of the Company or one of its subsidiaries; or
- (d) a change in the director, officer or employee's responsibilities following a change of control.

G. Directors Compensation

DIRECTORS COMPENSATION TABLE

The following table sets forth information concerning the compensation paid to directors who were not also NEOs during the Company's most recently completed financial year that ended on September 30, 2014. The relevant disclosure for Kurt Heikkila and Dennis Lindahl has been provided in the summary compensation table above.

Name and Principal Position	Fees Earned (\$)⁽¹⁾	Share-based awards (\$)	Option-based awards (\$)⁽²⁾	Non-equity incentive plan compensation	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Ronald Erickson	38,125	N/A	Nil	N/A	N/A	N/A	38,125 ⁽³⁾
Allan Krasnick	66,667	N/A	Nil	N/A	N/A	374,333 ⁽⁴⁾	441,000
Bryce Porter	87,500	N/A	Nil	N/A	N/A	N/A	87,500
Brian E. Abraham	14,750	N/A	Nil	N/A	N/A	N/A ⁽⁵⁾	14,750

(1) The directors approved the payment to directors of \$1,500 for each board meeting attended, a payment of \$1,500 for each committee meeting attended, and an honorarium amount of \$15,000 per annum paid quarterly. The Chairman of the board is paid a fee of \$50,000 per annum. The Chair of each of the Audit Committee and the Environment, Health and Safety Committee is paid a fee of \$50,000 per annum. The Chair of each of the Compensation Committee and the Corporate Governance and Nominating Committee is paid a fee of \$25,000 per annum. Additionally, in the event of a change in control of the Company, the Company shall be obligated to pay the current directors, on the day that any such current director ceases to hold office as a director of the Company, the sum of \$50,000 in recognition of the director's past service. Directors are also paid out of pocket travel expenses for travel expenses incurred either on behalf of the Company or for attendance at director meetings.

(2) The Company uses the Black-Scholes option pricing model for determining fair value of stock options issued at grant date. The Company has chosen to use the Black-Scholes model because it is an accepted industry standard and is appropriate for the Company's financial reporting requirements to security regulatory authorities.

(3) Ronald Erickson and Kurt Heikkila had an interest in a \$12 million Working Capital Loan facility between the Company and HSBC Bank Canada (the "Bank"). The loan facility was backed by a Letter of Credit ("L/C") which is sponsored by these two directors, ("Sponsors"). The Sponsors and the Bank entered in a "Put" Agreement which may be triggered by the Bank at its sole discretion. The "Put" Agreement was backed by an irrevocable letter of credit from the Sponsors. In exchange for entering into the "Put" Agreement and funding the L/C, the Company compensated the Sponsors as detailed in the Company's audited consolidated financial statements for the year ended September 30, 2014 and Management Discussion and Analysis prepared as of January 13, 2015 which are available on SEDAR at www.sedar.com. During the year ended September 30, 2014 the HSBC loan was repaid.

A fee of US\$460,000 was paid to Ronald Erickson for Sponsorship of this facility.

(4) Allan Krasnick was paid \$374,333 in fiscal 2014 as director compensation for services provided to the Company with respect to environmental permitting and community relations for the Company's Cantung mine and Mactung project.

(5) Dentons Canada LLP, a law corporation of which Brian Abraham is a partner, was paid \$598,428 in fiscal 2014 in fees for services provided to the Company.

**OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS
FOR THE MOST RECENTLY COMPLETED FINANCIAL YEAR-END**

The following table sets forth details of all awards outstanding as at September 30, 2014, including awards granted prior to the most recently completed financial year to directors who were not also NEOs of the Company (based on September 30, 2014 closing share price of \$0.07). The relevant disclosure for Kurt Heikkila and Dennis Lindahl has been provided in the option based awards table above.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of Unexercised vested in the-Money Options	Number of shares or units of shares that have not vested (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Ronald Erickson	200,000	0.19	Feb. 1, 2015	N/A	N/A	N/A	N/A
Allan Krasnick	75,000	0.19	Feb. 1, 2015	N/A	N/A	N/A	N/A
	125,000	0.42	Mar. 8, 2017	N/A			
Bryce Porter	75,000	0.19	Feb. 1, 2015	N/A	N/A	N/A	N/A
	325,000	0.42	Mar. 8, 2017	N/A			
Brian E. Abraham	Nil	N/A	N/A	N/A	N/A	N/A	N/A

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the directors who were not also NEOs. The relevant disclosure for Kurt Heikkila and Dennis Lindahl has been provided in the incentive plan awards table above.

Name	Option-based awards – Value vested during the year \$	Share based awards – Value vested during the year \$	Non-equity incentive plan compensation – Value earned during the year \$
Ronald Erickson	N/A	N/A	N/A
Allan Krasnick	N/A	N/A	N/A
Bryce Porter	N/A	N/A	N/A
Brian E. Abraham	N/A	N/A	N/A

Other than as set forth in the foregoing, no director of the Company who is not a NEO has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

DIRECTORS AND OFFICERS INDEMNIFICATION AND INSURANCE

There was no indemnification payable this financial year to our directors or officers.

The Company maintains liability insurance for its directors and officers in the aggregate amount of \$10,000,000 subject to a \$50,000 deductible loss payable by the Company. The premium in the amount of \$40,000 was paid by the Company for the period November 1, 2014 to October 31, 2015 (\$40,000 was paid by the Company for the period November 1, 2013 to October 31, 2014; and \$40,000 was paid by the Company for the period November 1, 2012 to October 31, 2013). The Company, on an annual basis, examines the relevancy of the liability insurance and determines if the amount or the terms of the policy should be adjusted.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company's compensation plans under which equity securities of the Company are authorized for issuance at the end of the Company's most recently completed financial year ended September 30, 2014.

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 securityholders	3,041,666	\$0.23	20,770,640
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	3,041,666	\$0.23	20,770,640

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No executive officer, director, employee, former executive officer, former director, former employee, proposed nominee for election as a director, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

MANAGEMENT CONTRACTS

During the Company's most recently completed financial year ended September 30, 2014, there were no management functions of the Company which were, to any substantial degree, performed by a person other than a director or executive officer of the Company.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

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

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Schedule “A” to this Information Circular.

The Company’s audit committee is comprised of three directors, Bryce Porter (Chair), Allan Krasnick and Dennis Lindahl. As defined in NI 52-110, Bryce Porter and Allan Krasnick are “independent”. Also as defined in NI 52-110, all of the audit committee members are “financially literate”.

Relevant Education and Experience

The educational background or experience of the following Audit Committee members has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Company to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting:

Bryce M.A. Porter is a Chartered Accountant (Scotland and British Columbia). Bryce Porter’s management training includes the Harvard Business School management development program. For 15 years, he was with Alcan Aluminum Limited, at corporate head office and various major subsidiaries. Thereafter Bryce Porter served as Chief Financial Officer of Roan Consolidated Mines in Zambia. Transferring to the United States, he directed accounting for Amax Inc. and undertook assignments on Zambian, Australian and Canadian investments. Thereafter, he moved to Vancouver as Vice President/Chief Financial Officer of Amax subsidiaries. In the mid-1990’s Bryce Porter was involved with Black Swan Gold Mines Ltd., as a director and President. He organized Primary Metals Inc. in 2003 and served as a director and initial President and as Chairman of Beralt Tin & Wolfram (Portugal) S.A. Bryce Porter was President, Chief Executive Officer and a director of EastCoal Inc. (formerly named Lysander Minerals Corporation). Bryce Porter resigned as an officer of EastCoal Inc. in March 2011 and as a director of that Company in December 2011.

Allan Krasnick is a senior corporate and commercial lawyer in Vancouver, B.C. In the course of a varied practice during his 30 years as a lawyer, he has negotiated complex business transactions in a number of industries and concluded many agreements with First Nations, private clients and government. Allan Krasnick has also concluded dozens of collective agreements in the public and private sector and is one of Canada’s senior practitioners in entertainment law. He has advised government on public policy and tax matters. Allan Krasnick’s clients have included many Fortune 100 companies.

Dennis Lindahl has been Managing Director of Queenwood Partners LLC, an investment and management consulting firm, since 2008. Prior to that, he had in excess of 20 years of experience as a management executive, focusing on financial and accounting matters, including roles as Executive Vice President and CFO of significant private and public entities in the United States. During that time, Dennis Lindahl also had responsibility for all administrative functions, including Human Resources. His background also includes 10 years of experience with a large public accounting firm.

Since the commencement of the Company’s most recently completed financial year, the Company’s board of directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in section 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

The charter and procedures of the audit committee require the committee to pre-approve all non-audit services to be provided by the Company's auditors. However, the audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

In the following table, "Audit Fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-Related Fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax Fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to date by the Company's auditor in respect to each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
September 30, 2014	\$142,800	\$60,795	\$0	\$132,000
September 30, 2013	\$144,375	\$58,275	\$0	\$3,220

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 F2 *Disclosure of Corporate Governance Disclosure (Venture Issuers)* the Company is required to disclose in its Information Circular its corporate governance practices. Attached, as Schedule "B" to the Information Circular, is the required disclosure of the Company's corporate governance practices.

ADDITIONAL INFORMATION

Additional Information concerning the Company is available on SEDAR at www.sedar.com. Financial Information concerning the Company is provided in the Company's comparative financial statements and management discussion and analysis for the financial year ended September 30, 2014.

Shareholders wishing to obtain a copy of the Company's consolidated financial statements and management's discussion and analysis may contact the Company as follows:

NORTH AMERICAN TUNGSTEN CORPORATION LTD.
#1640 – 1188 West Georgia Street,
Vancouver, BC V6E 4A2
 Telephone: 604-684-5300
 Fax: 604-684-2992
 E-mail: info@natungsten.com

BOARD APPROVAL

The content and sending of this Information Circular has been approved by the Company's board of directors. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED at Vancouver, British Columbia, the 13th day of February, 2015.

ON BEHALF OF THE BOARD

(signed) "*Kurt Heikkila*"

KURT HEIKKILA

President, Chief Executive Officer and Chairman

SCHEDULE “A”

NORTH AMERICAN TUNGSTEN CORPORATION LTD. (the “Company”)

AUDIT COMMITTEE CHARTER

PURPOSE OF THE COMMITTEE

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of the Company is to provide an open avenue of communication between management, the Company’s independent auditor and the Board and to assist the Board in its oversight of:

- the design process of internal control systems and the remediation of deficiencies in internal controls;
- the integrity, adequacy and timeliness of the Company’s financial reporting and disclosure practices;
- the Company’s compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Company’s auditor.

The Committee shall also perform any other activities consistent with this Charter, the Company’s by-laws and governing laws as the Committee or Board deems necessary.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board at its discretion. The members of the Committee shall elect a Chairperson who shall be a member of the Committee who is experienced in financial matters and is not an officer or employee of the Company nor an affiliate of the Company. A majority of the members of the Committee and, if possible, all of the members of the Committee, must not be officers or employees of the Company nor of an affiliate of the Company. Twenty-four (24) hours advance notice of a meeting given orally, by telephone, or in writing delivered by facsimile or electronic mail will be given to each Member unless all Members are present and waive notice, and if those absent waive notice in writing. The quorum for a meeting of the Committee is a majority of the members. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures. Decisions of the Committee will be by an affirmative vote of the majority. Powers of the Committee may also be exercised by resolution in writing signed by all the members of the committee.

The Committee’s role is one of oversight. Management is responsible for preparing the Company’s financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with International Financial Reporting Standards (“IFRS”) or prior to the application of IFRS, Canadian Generally Accepted Accounting Principles (“GAAP”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The independent auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with applicable accounting standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with applicable accounting standards.

The Committee is responsible for recommending to the Board the auditor to be appointed for auditing the Company’s financial statements, preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and for reviewing and recommending the compensation of the auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the auditor. The auditor will report directly to the Committee.

AUTHORITY AND RESPONSIBILITIES

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend to the Board any proposed changes.
2. Review the appointments of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the independent auditor the adequacy and effectiveness of the Company's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the independent auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Company's financial reporting and accounting principles and standards and significant changes in such principles or standards or in their application. These changes include key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Company, including consideration of the auditor's judgment about the quality and appropriateness of the Company's accounting policies. This review may include discussions with the auditor without the presence of management.
8. At each meeting, consult with the auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review with management and the auditor significant related party transactions and potential conflicts of interest.
10. Pre-approve all non-audit services to be provided to the Company by the auditor.
11. Monitor the independence of the auditor by reviewing all relationships between the auditor and the Company and all non-audit work performed for the Company by the auditor.
12. Establish and review the Company's procedures for the:
 - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
13. Review requests by Directors to engage the services of outside advisors at the Company's expense and if appropriate, approve in advance the engagement of such advisors on such terms as the Committee may approve;
14. Review requests by Management to engage the services of independent directors and approve the engagement of such independent directors and compensation terms;

15. Conduct or authorize investigations into any matters that the Committee believes are within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Company.
16. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting company in Parts 2 and 4 of Multilateral Instrument 52-110 of the Canadian Securities Administrators, the *Canada Business Corporations Act* (CBCA) and the by-laws of the Company.

SCHEDULE “B”

NORTH AMERICAN TUNGSTEN CORPORATION LTD. (the “Company”)

CORPORATE GOVERNANCE PRACTICES

The following table addresses the disclosure requirements set out in Form 58-101 F2 Corporate Governance Disclosure (Venture Issuers):

CORPORATE GOVERNANCE DISCLOSURE REQUIREMENTS	THE COMPANY'S APPROACH
1) BOARD OF DIRECTORS:	
Disclose the identity of directors who are independent.	The Company's independent directors are: Bryce Porter, Ronald Erickson and Allan Krasnick.
Disclose the identity of directors who are not independent and describe the basis for that determination.	<p>The Company's three non-independent directors are: Kurt Heikkila, Dennis Lindahl and Brian E. Abraham</p> <p>Kurt Heikkila and Dennis Lindahl – these two directors are non-independent insofar as they hold executive officer positions with the Company.</p> <p>Brian E. Abraham – this director is not independent because he is a partner of Dentons Canada LLP, a law firm which legal services to the Company.</p>
2) DIRECTORSHIPS:	
If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	<p>The following directors are presently also directors of other issuers as listed:</p> <p>Bryce Porter - Lorraine Copper Corp. Golden Reign Resources Ltd.</p>
3) ORIENTATION AND CONTINUING EDUCATION:	
<p>Briefly describe what measures the board takes to orient new directors regarding</p> <p>(i) the role of the board, its committees and its directors, and</p> <p>(ii) the nature and operation of the issuer's business.</p>	<p>The Company does not have a formal orientation and education program for new directors. However, new directors are provided with relevant materials with respect to the Company as well as being oriented on relevant corporate issues by the CEO. In addition a policy and procedure manual is distributed to new directors of the Company that includes copies of Board and Committee charters, Environment Health and Safety Policy; Disclosure Policy, Whistle Blower Policy, Code of Business Conduct & Ethics and the mine site policies and procedures. Also, Board meetings may include presentations by the Company's management and employees to give the directors additional insight into the Company's business.</p>
4) ETHICAL BUSINESS CONDUCT:	
Describes what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.	<p>The Board has adopted a written code of ethics and expectations for business conduct for the directors, officers and employees of the Company. A copy of which is filed on the Company's website at www.natungsten.com.</p> <p>The Board reviews its code of ethics on an annual basis. The Board has delegated compliance oversight to the Corporate Governance and Nominating Committee. Complaints can be made internally to the Company's Corporate Secretary.</p> <p>The Board seeks directors who have a solid track record to ensure a culture of ethical business conduct.</p>

5)	NOMINATION OF DIRECTORS:	
	Who identifies new candidates.	In consultation with the Chairman of the Board and CEO, the Corporate Governance and Nominating Committee is involved in the search for identifying potential new candidates for board nomination.
	Describe the process by which the board identifies new candidates for board nomination.	The nominees are generally the result of recruitment efforts by the Chairman of the Board, CEO and the Corporate Governance and Nominating Committee members, including both formal and informal discussions among the Committee members, Board members and officers.
6)	COMPENSATION:	
	Describe the process by which the board determines the compensation for the issuer's directors and CEO.	<p>The Compensation Committee is responsible for considering and recommending to the Board the compensation of the Company's directors and CEO.</p> <p>The Compensation Committee:</p> <ol style="list-style-type: none"> 1. Reviews the Company's overall compensation strategy and objectives and report to the Board of Directors; 2. Reviews and recommend to the Board the compensation of the CEO with the CEO abstaining from the deliberations and the vote. <p>See additional information under "B. Compensation Discussion and Analysis".</p>
7)	OTHER BOARD COMMITTEES:	
	If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.	In addition to the Audit, Compensation and Corporate Governance & Nominating Committees, the Company has an Environment, Community, Health and Safety Committee, members of which are Allan Krasnick (Chair), Brian Abraham, Kurt Heikkila and Dennis Lindahl.
8)	ASSESSMENTS:	
	Disclose what steps, if any, that the Board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively	<p>The Company has not carried out an assessment of the Board, its committees and individual directors.</p> <p>The Company plans to review if individual assessments of directors are relevant and of value at this point in the Company's stage of development.</p>