

GOLDEN SHARE RESOURCES CORPORATION

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD ON
AUGUST 7, 2020**

AND

MANAGEMENT INFORMATION CIRCULAR

DATED JUNE 26, 2020

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

GOLDEN SHARE RESOURCES CORPORATION

NOTICE IS HEREBY GIVEN that an Annual General and Special Meeting (the “**Meeting**”) of the Shareholders of Golden Share Resources Corporation (“**Golden Share**” or “**Corporation**”) will be held at 145 Riviera Drive, Unit 7, Markham, Ontario, on August 7, 2020 at 10:30 a.m. (local time), for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the fiscal year ended December 31, 2019 and the Auditor’s report thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to consider and, if thought appropriate, to pass an ordinary resolution appointing the auditors of the Corporation and authorizing the directors to fix their remuneration as such;
4. to examine, and if judged appropriate, adopt a resolution ratifying and confirming the Corporation’s stock option plan, and
5. to consider and, if thought appropriate, to pass, with or without variation, a ordinary resolution of disinterested shareholders approving of the grant of a 1% net sales returns royalty and net smelter returns royalty (together, the “Royalties”) for precious and base metals at new mining claims staked as the extension of Kagiama project in 2019 to Keystone Associates Inc., as more fully describe in the Management Information Circular; and
6. to transact such other matters as may properly come before the Meeting or any adjournment thereof.

The board of directors of Golden Share has set the close of business on June 23, 2020 (the “Record Date”) as the record date for determining Golden Share Shareholders who are entitled to receive notice of and vote at the Meeting including any adjournment or postponement thereof on the matters contained in the Proxy Circular. Only Golden Share Shareholders whose names have been entered in the applicable registers of Golden Share at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting unless a Golden Share Shareholder, if permitted under the terms of the Golden Share Shares transfers their Golden Share Shares after the Record Date and the transferee of those Golden Share Shares establishes that they own the Golden Share Shares and demands not later than the close of business 10 days before the Meeting, that the transferee's name be included in the list of Golden Share Shares entitled to vote such Golden Share Shares at the Meeting.

Public Health Concerns

In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Corporation suggests shareholders not to attend the Meeting in person. The Meeting will be available on Zoom (Meeting ID 671 348 0933). Shareholders participating in the Zoom conference call will not be able to vote at the Meeting but will be able to ask questions by submitting them via email to info@goldenshare.ca at least 48 hours prior to the Meeting.

Notice-and-Access

Golden Share has elected to use “notice-and-access” rules (“**Notice-and-Access**”) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for distribution of its Proxy-Related Materials (as defined below) to all the shareholders. Notice-and-Access is a set of rules that allows issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies. “**Proxy-Related Materials**” refers to the Circular, the Notice of Meeting and a voting instruction form.

The use of Notice-and-Access is more environmentally friendly as it will help reduce paper use. The Registered Shareholders and Beneficial Shareholders may obtain further information about Notice-and-Access by contacting Computershare Investor Services Inc. toll free at 1-866-964-0492.

Proxy Related Materials

The proxy related materials can be viewed online at www.sedar.com or at the Corporation website: www.goldenshare.ca

Notice Package

Although the Proxy-Related Materials have been posted on-line as noted above, Shareholders are receiving paper copies of a notice package via prepaid mail, including this Notice of Annual General and Special Meeting, containing information and documents prescribed by NI 54-101 such as: the date, time and location of the Meeting and the website addresses where the Proxy-Related Materials are posted, a voting instruction form, and supplemental mail list return card for the Shareholders to request for receipt of Golden Share's financial statements.

How to Obtain Paper Copies of Proxy-Related Materials

Although the proxy related materials have been posted online as noted above, The Registered Shareholders and Beneficial Shareholders may obtain paper copies of the meeting materials by contacting Computershare Investor Services Inc. toll free at 1-866-962-0498 (within North America) or 514-982-8716 (outside North America). Any Requests for paper copies should be received at least 7 business days in advance of the proxy deposit date and time set out in the accompanying proxy or voting instruction form in order to receive the meeting materials in advance of such date and the meeting date.

Voting

Whether or not you intend to attend the Meeting, shareholders are encouraged to express their vote in advance by completing and signing the enclosed voting instruction form no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of the Meeting or any adjournment thereof. You will also be entitled to vote your Golden Share Shares through the internet or using the toll-free telephone number as per the instructions included on the form of proxy or voting information form. If you require any assistance in completing your proxy, please call Computershare Investor Services Inc. at 1-800-964-0492.

Shareholders are urged to review the Circular before voting. Shareholders participating in the telephone conference call will not be able to vote during the Meeting.

Dated at Markham, Ontario, the 26th day of June, 2020.

BY ORDER OF THE BOARD OF DIRECTORS,

(Signed) "Nick Zeng"

Nick Zeng, Chairman, President and CEO

GOLDEN SHARE RESOURCES CORPORATION

(The “Corporation” or “Golden Share”)

MANAGEMENT INFORMATION CIRCULAR

June 26, 2019

SOLICITATION OF PROXIES

This Management Information Circular (the “**Circular**”) pertains to the solicitation, by management of the Corporation of proxies to be used at the Annual General and Special Meeting of the Shareholders of the Corporation (the “**Meeting**”) which will be held on the date, at the place and for the purposes indicated in the attached notice of meeting (the “**Notice of Meeting**”) or any adjournment thereof. The Corporation is assuming the cost of this solicitation. Accordingly, the management of the Corporation has drafted this Circular that it is sending to all the security holders entitled to receive a Notice of Meeting.

As a Golden Share Shareholder, you are cordially invited to be present at the Meeting. To ensure that you will be represented at the Meeting in the event that you are a registered Golden Share Shareholder and unable to attend personally, you are requested to date, complete and sign the accompanying instrument of proxy enclosed herewith and return the same to Golden Share, c/o Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by internet at www.investorvote.com or by telephone by calling 1-416-263-9524 no later than forty eight (48) hours (excluding Saturdays, Sundays and statutory holidays) prior to the commencement of the Meeting or any adjournment thereof. If you are not a registered Golden Share Shareholder and receive these materials through your broker or through another intermediary, please complete and return the instrument of proxy in accordance with the instructions provided therein.

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation’s by-laws provide that the quorum at a meeting of the shareholders of the Corporation shall be constituted by the attendance of one or more shareholders, present in person or represented by proxy, holding at least 10 % of the votes attached to outstanding voting shares of the Corporation.

RIGHT OF APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than the person whose name is printed on the accompanying form of proxy.** A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so by either inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.

In order to be voted, the completed form of proxy must be received by the Corporation’s registrar and transfer agent, Computershare Investor Services Inc. in accordance with the instructions set out in the form of proxy.

A shareholder may revoke a proxy before it is exercised by sending an instrument in writing executed by him or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, (i) to the Corporation at the same address where the form of proxy was sent, or (ii) to the Chairman of the Meeting on the day of such Meeting or any adjournment thereof, at any time up to and including the close of business on the second business day preceding the day of the Meeting, or any adjournment thereof. A shareholder attending the Meeting has the right to vote in person and if he does so, his proxy is nullified with respect to the matters such person

votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

EXERCISE OF DISCRETIONARY POWER BY PROXIES

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the instructions of the shareholder appointing them.

In the absence of instructions, the agent will exercise the right to vote IN FAVOUR of each question defined on the form of proxy, in the Notice of Meeting or in the Circular.

Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.

Management does not know and cannot foresee at the present time any amendments or new points to be brought before the Meeting, or any adjournment thereof. If such amendments or new points were to be properly brought before the Meeting, or any adjournment thereof, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

NON-REGISTERED HOLDERS

The information set forth in this section should be reviewed carefully by the non-registered shareholders. Shareholders who do not hold their shares in their own name (“Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, *not* be registered in the shareholder’s name. Such shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted according to the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

National Instrument 54-101 of the Canadian Securities Administrators 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 shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (*i.e.*, the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

Golden Share Shareholders may use the internet site at www.investorvote.com to transmit their voting instructions or the telephone by calling (866) 732-8683 (toll free). Golden Share Shareholders should have the Instrument of Proxy in hand when they access the web site or telephone voting. Golden Share Shareholders will be prompted to enter their Control Number, which is located on the Instrument of Proxy. If Golden Share Shareholders vote by internet or telephone, their vote must be received not later than 10:30am (Toronto time) on August 5, 2020 or 48 hours prior to the time of any adjournment of the Meeting. **The website or telephone may be used to appoint a proxy holder to attend and vote on a Golden Share Shareholder's behalf at the Meeting and to convey a Golden Share Shareholder’s voting instruction. Please note that if a Golden Share shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a**

Golden Share Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

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

LEVEL OF APPROVAL REQUIRED

In order to be effective, the resolutions concerning the matters to be considered by the shareholders at this Meeting regarding the election of directors, the appointment and remuneration of auditors and the ratification of stock option plan must be passed by a majority of the votes cast at the Meeting.

VOTING SECURITIES AND THEIR PRINCIPAL HOLDERS

The share capital of the Corporation is made of an unlimited number of shares (the “**Common Shares**”) without par value. As at the date hereof, the Corporation 38,621,345 shares issued and outstanding.

You have the right to receive a Notice of Meeting and vote at the Meeting if you are a shareholder of the Corporation on the close of business on June 23, 2020.

Each holder of Common Shares is entitled to vote at the Meeting or at any adjournment thereof on the basis of one vote for each share registered in the holder's name.

To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, none of person or company 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 Corporation:

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the Directors, executive officers of the Corporation and none of the proposed nominees for election as a Director of the Corporation, nor any of their affiliates or associates have any material interest, directly or indirectly, by way of their beneficial ownership of the shares or otherwise in any of the matters to be acted upon at the Meeting, other than the approval of the Stock Option Plan and as disclosed in this Circular.

BUSINESS TO BE TRANSACTED AT THE MEETING

Financial Statements Presentation *(Heading No.1 of the Notice of Meeting)*

The annual consolidated financial statements of the Corporation for the year ended December 31, 2019 and the related auditor’s report will be presented at the Meeting. No formal action is required or proposed to be taken at the Meeting with respect to the financial statements.

Election of the Directors *(Heading No.2 of the Notice of Meeting)*

Under its By-laws, the Corporation is administered by a Board of Directors (the “**Board of Directors**”). Currently, the Corporation has four (4) directors sitting on the Board of Directors. Management proposes to elect four (4) Directors at the Meeting.

The mandate of each director elected at the Meeting expires on the date of the next Annual General Meeting of Shareholders following his election or appointment or on the date when his successor is elected or appointed, unless such director resigns or his position becomes vacant due to his death or another reason according to the By-laws of the Corporation.

You can vote for the election of all the candidates described below, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, the persons named in the accompanying form of proxy will vote FOR the election of each of the candidates described below as director of the Corporation.

Management of the Corporation considers that none of the candidates will be unable to act as director or no longer wishes, for any reason, to fulfill this function, but in the event of a change for any reason whatsoever before the Meeting is held, the persons mentioned in the attached form of proxy reserve the right to vote for other candidates of their choice unless the shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.

The following table sets out the names of the management's nominees for election as directors, the positions and offices which they presently hold with the Corporation, the length of time they have served as directors of the Corporation, their respective principal occupations or employments during the past five years, if such nominee is not presently an elected director and the number of voting shares of the Corporation which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular.

Name and country of residence of proposed directors	Office held	Director since	Number of voting shares ⁽¹⁾	Principal occupation for previous five years
Zhen Huang ^{(2) (3)} Beijing, China	Director	May 1, 2015	720,000 (1.86%)	Chairman of Beijing Donia Resources Co. Ltd. Chairman of Pangea Gold Mining (Fiji) Pte. Limited President of Pangea Holdings Limited
Wes Roberts ^{(2) (3)} Toronto, Ontario, Canada	Director	May 1, 2015	-	Technical Consultant of Gravitas Financial Mineral Engineering Consultant of Dorsey & Whitney LLP
David Graham ^{(2) (3)} Ameliasburg, Ontario, Canada	Director	May 1, 2015	-	President of R. Bruce Graham and Associates Ltd., Executive Vice President of Bold Ventures Inc. until October 2017 President and CEO of Bold Ventures Inc. since October 2017
Nick Zeng ⁽⁴⁾ Toronto, Ontario, Canada	Director, President and CEO	May 1, 2015	2,884,000 (7.47%)	President & CEO of Harmony Energy Technologies Corp.

(1) The information as to shares beneficially owned or over which control or direction is exercised not being within the knowledge of the Corporation has been furnished by the respective nominees individually.

(2) Denotes Members of the Audit Committee.

(3) Denotes Members of the Corporate Governance, Nomination and Compensation Committee.

(4) Appointed as President and CEO of the Corporation on May 1, 2015.

No proposed director is as at the date hereof, or has been:

- (a) within 10 years of the date hereof, a director or chief executive officer or chief financial officer of any company, including the Corporation, that:
 - (i) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
 - (ii) was subject to an event that resulted in such company, after the director or executive officer ceased to be a director chief executive officer or chief financial officer of 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 and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or

- (b) within 10 years of the date hereof, a director or executive officer of any company, including the Corporation, that, while that person was acting in their capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, no proposed director has been subject to: (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Appointment of the Auditors (*Heading No.3 of the Notice of Meeting*)

Raymond Chabot Grant Thornton L.L.P. is the auditor of the Corporation. **The persons mentioned in the attached form of proxy intend to vote IN FAVOUR of the appointment of Raymond Chabot Grant Thornton LLP, CPA, as auditor of the Corporation at the Meeting** and to authorize the directors to determine its compensation, unless the signatory shareholder of the proxy has indicated his intention to withhold from voting on the appointment of the auditors.

Ratification of the Corporation's stock option plan (*Heading No. 4 of the Notice of Meeting*)

The principal terms of the stock option plan (the "**Plan**") are described on page 11 of the present Circular.

The Plan is a « rolling » stock option plan where options can be awarded up to a maximum of 10 % of issued and outstanding shares of the Corporation at the date of the option grant. In fact, the number of Common Shares that can be reserved within the Plan automatically increases or diminishes as a function of the increase or decrease of the number of issued and outstanding Common Shares of the Corporation.

The policies of the TSX Venture Exchange provide that, where a Corporation has a rolling stock option plan in place, it must seek shareholder approval, for such plan annually.

The shareholders are asked to examine and, if judged appropriate, adopt an ordinary resolution ratifying and confirming the Plan.

RATIFICATION OF THE STOCK OPTION PLAN

RESOLVED:

“THAT the stock option plan of the Corporation is, hereby, ratified and confirmed; and

THAT any director or officer of the Corporation, be and is hereby authorized, for and on behalf of the Corporation, to execute and to deliver all documents and instruments and do all such other acts or things as such director or officer may determine to be necessary or advisable to implement this resolution.”

Unless specified otherwise in a form of proxy, it is the intention of the persons designated in the enclosed proxy form to vote FOR the ordinary resolution ratifying and confirming the stock option plan of the Corporation.

Data acquisition and royalty grant (*Heading No.5 of the Notice of Meeting*)

With the approval from the shareholders in 2018 Annual General and Special Shareholders Meeting and Toronto Securities Exchange Venture, the Company has granted Keystone a 1% net sales returns royalty and net smelter returns royalty (the “Royalties”) for all diamonds and other precious stones as well as for precious and base metals for Ogoki Project (except mining claims 516349 and 516392) and Kagiarni Project.

As announced on June 18, 2019, Golden Share expanded the Kagiarni Project through map staking based on VTEM and magnetic data (the “Data”) provided by Keystone Associates Inc. (“Keystone”). Keystone is 100% owned by Nick Zeng, the President and CEO of Golden Share. Keystone generated the Data through exploration work carried out between 2009 and early 2015, which was completed before Mr. Zeng’s appointment as President and Chief Executive Officer of the Corporation. As consideration for the Data, the Corporation has granted Keystone a 1% net sales returns royalty and net smelter returns royalty (the “Royalties”) for all precious and base metals for the extension of Kagiarni Project.

The acquisition of the Data in consideration of the Royalties constitutes a “related party transaction” under MI 61-101. The Corporation is relying on exemptions from the formal valuation and minority approval requirements of MI 61-101 based on the fact that its securities are listed on the TSXV and that the fair market value of each of the Data and the Royalties were equal to less than 25% of the Corporation’s market capitalization at the time that the transaction between Golden Share and Keystone was agreed to.

The Corporation seek to obtain disinterested shareholder approval therefor. As a result, at the Meeting all Golden Share Shareholders present in person or represented by proxy, with the exception of Mr. Zeng, will be asked to vote on the following resolution:

RESOLVED:

TO approve the grant to Keystone Associates Inc., in consideration for certain data, of a 1% net sales returns royalty and net smelter returns royalty for precious and base metals at the Corporation’s extension of Kagiarni projects.

PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE ROYALTIES UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST. THE BOARD RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ADOPTION OF THE RESOLUTION APPROVING THE ROYALTIES.

Mr. Zeng’s 2,884,000 Golden Share Shares will be excluded from voting on the foregoing resolution, which requires a simple majority of all other votes cast thereon to be validly adopted.

OTHER BUSINESS

The management of Golden Share does not intend to present and does not have any reason to believe that others will present, at the Meeting, any item of business other than those set forth in this Proxy Circular. However, if any other business is properly presented at the Meeting and may properly be considered and acted upon, proxies will be voted by those named in the applicable form of proxy in their sole discretion, including with respect to any amendments or variations to the matters identified in this Proxy Circular.

EXECUTIVE COMPENSATION

Compensation of Executive Officers

Interpretation

"Named Executive Officer" ("NEO") means each of the following individuals:

- (a) the Chief Executive Officer ("CEO");
- (b) the Chief Financial Officer ("CFO");
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the fiscal year ended December 31, 2019, the Corporation had two NEOs as follows

Name	Office held	Period
Nick Zeng	President & CEO	January 1, 2019 to December 31, 2019
Demin (Fleming) Huang	CFO	January 1, 2019 to December 31, 2019

Compensation Discussion and Analysis

The executive compensation policy of the Corporation is designed to offer competitive compensation enabling the Corporation to attract and retain qualified, high-calibre staff. It will seek to motivate executive officers to exceed strategic objectives so as to maximize the long-term return on shareholders' investment.

Components of Aggregate Compensation

The aggregate compensation of the NEO currently consists of one or more of the following elements:

- (a) a base monetary compensation which is competitive;
- (b) option grants designed to attract experienced personnel and encourage them to promote the Corporation's interests and activities to the best of their knowledge; and

Base Compensation

The base cash compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base compensation

is not evaluated against a formal “peer group”. The Board of Directors relies on the general experience of its members in setting base compensation amounts.

Incentive compensation

Option grants are designed to attract and retain key personnel. Option grants to Beneficiaries are established by the Board of Directors on a continuous basis, based on the progress of the Corporation.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Corporation for services in all capacities to the Corporation for the three most recently completed financial year:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Nick Zeng ⁽²⁾ CEO of Golden Share	2019	-	-	8,243	-	-	-	72,000 ⁽⁵⁾	80,243
	2018	-	-	-	-	-	-	72,000 ⁽⁵⁾	72,000
	2017	-	-	13,474	-	-	-	72,000 ⁽⁵⁾	85,474
Hua (Helen) Gao ⁽³⁾ CFO of Golden Share	2019	-	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-	-
	2017	-	-	3,368	-	-	-	1,040 ⁽⁶⁾	4,408
Demin (Fleming) Huang ⁽⁴⁾ CFO of Golden Share	2019	54,000	-	5,495	-	-	-	-	59,495
	2018	50,000	-	-	-	-	-	-	50,000
	2017	20,000	-	5,053	-	-	-	-	25,053

(1) Grant date fair values of stock option awards were determined utilizing the Black-Scholes option-pricing model. Assumptions utilized are disclosed in the notes to the Corporation’s financial statements.

(2) Appointed as President and CEO of Golden Share on May 1, 2015

(3) Appointed as CFO of Golden Share on July 25, 2013 and resigned as CFO of Golden Share on July 31, 2017.

(4) Appointed as CFO of Golden Share on August 1, 2017.

(5) Paid for management services to a company controlled by Nick Zeng

(6) Paid for consulting financial services to a company controlled by Hua (Helen) Gao.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Nick Zeng ⁽²⁾ CEO of Golden Share	150,000	0.20	July 18, 2024	(15,000)	-	-	-
	120,000	0.35	June 21, 2022	(30,000)	-	-	-
	80,000	0.25	June 19, 2021	(12,000)	-	-	-
Demin (Fleming) Huang ⁽³⁾ CFO of Golden Share	100,000	0.20	July 18, 2024	(10,000)	-	-	-
	45,000	0.35	June 21, 2022	(11,250)	-	-	-
	40,000	0.25	June 19, 2021	(6,000)	-	-	-
	60,000	0.10	October 15, 2020	-	-	-	-

(1) Calculated by multiplying the number of Common Shares purchasable on exercise of the options by the difference between the market price of the Common Shares at December 31, 2019 and the exercise price of the options. The closing price of the Corporation's Common Shares on the TSX Venture Exchange on December 31, 2019, the last date of trade was \$0.10.

(2) Appointed as President and CEO of the Corporation on May 1, 2015

(3) Appointed as CFO of Golden Share on August 1, 2017.

Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nick Zeng ⁽²⁾ CEO of Golden Share	-	-	-
Demin (Fleiming) Huang ⁽³⁾ CFO of Golden Share	-	-	-

(1) Intended to represent the aggregate dollar value that would have been realized if options had been exercised on the vesting date, based on the difference, if any, between the market price of the Common Shares on the TSX-V on the vesting date and the exercise price of the options. As the market price of the Common Shares was equal to or less than the exercise price of the options on the vesting date, no value would have been realized if exercised on the vesting date.

(2) Appointed as President and CEO of the Corporation on May 1, 2015

(3) Appointed as CFO of the Corporation on August 1, 2017

Pension Plan Benefits

The Corporation does not have a defined benefits pension plan or a defined contribution pension plan.

Termination and Change of Control Benefits

The Corporation has no contracts, agreements, plans, or arrangements for payments to a NEO, or in connection with any termination (whether voluntary, involuntary, or constructive), resignation, retirement, a change in control of the Corporation, or a change in a NEO's responsibilities.

Compensation of Directors

Director Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Corporation, other than the NEOs, for the most recently completed financial year:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Wes Roberts	-	-	8,243	-	-	-	8,243
David Graham	-	-	8,243	-	-	-	8,243
Zhen Huang	-	-	8,243	-	-	-	8,243

(1) There is no fee or share-based award paid during the year ended December 31, 2019.

Share-Based Awards, Options-Based Awards for Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation, other than the NEOs:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Wes Roberts	150,000	0.20	July 18, 2024	(15,000)	-	-	-
	120,000	0.35	June 22, 2022	(30,000)	-	-	-
	80,000	0.25	June 19, 2021	(12,000)	-	-	-
	120,000	0.10	October 15, 2020	-	-	-	-
David Graham	150,000	0.20	July 18, 2024	(15,000)	-	-	-
	120,000	0.35	June 22, 2022	(30,000)	-	-	-
	80,000	0.25	June 19, 2021	(12,000)	-	-	-
	120,000	0.10	October 15, 2020	-	-	-	-
Zhen Huang	150,000	0.20	July 18, 2024	(15,000)	-	-	-
	120,000	0.35	June 22, 2022	(30,000)	-	-	-
	80,000	0.25	June 19, 2021	(12,000)	-	-	-

(1) Calculated by multiplying the number of Common Shares purchasable on exercise of the options by the difference between the market price of the Common Shares at December 31, 2019 and the exercise price of the options. The closing price of the Corporation's Common Shares on the TSX Venture Exchange on December 31, 2019, the last date of trade was \$0.10.

Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors of the Corporation during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Wes Roberts	-	-	-
David Graham	-	-	-
Zhen Huang	-	-	-

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2019, the end of the most recently completed financial year of the Corporation, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Category of the Plan	Number of securities to be issued upon exercise of the outstanding options	Weighted average exercise price of the outstanding options	Number of securities remaining available for future issuance under equity compensation plans
Stock option Plan approved by the shareholders	3,720,000	\$0.24	142,134
Stock option Plan not approved by the shareholders	-	-	-
Total	3,720,000	\$0.24	142,134

Stock Option Plan

The policies of the TSXV provide that Golden Share's Board of Directors may from time to time, in its discretion, and in accordance with the TSXV's requirements, grant to directors, officers, employees, management company employees and consultants of Golden Share and its Affiliates, non-transferable options to purchase Golden Share Shares for a period of up to 10 years from the date of grant, provided that the number of the Corporation reserved for issuance may not exceed 10% of the total issued and outstanding Shares of the Corporation at the date of the grant.

The purpose of the Golden Share Stock Option Plan, under which Golden Share may grant Golden Share Options, is to promote Golden Share's profitability and growth by facilitating its efforts to obtain and retain key individuals. The Golden Share Stock Option Plan provides an incentive for, and encourages ownership of Golden Share Shares by, its key individuals so that they may increase their stake in Golden Share and benefit from increases in the value of the Golden Share Shares. Under the Golden Share Stock Option Plan, the maximum number of Golden Share Shares reserved for issuance in any 12 months period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Golden Share Shares at the date of the grant. The maximum number of Golden Share Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Golden Share Shares at the date of the grant and the maximum number of Golden Share Shares reserved for issuance in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Golden Share Shares at the date of the grant.

Incentive stock options may be exercised until the earlier of: (a) their expiry time and (b) 90 days (or such other period as may be determined by the Board of Directors, provided such period is not more than one year) following the date the optionee ceases to be a director, officer or employee of Golden Share or its affiliates or a consultant or a management company employee, provided that if the cessation of such position or arrangement was by reason of death, the option may be exercised within a maximum period of one year after that death, subject to the expiry date of such option.

Notwithstanding the foregoing, in the event of termination for cause, all options held by a terminated optionee will be cancelled immediately. If the term of any option expires within or immediately following a “blackout period” imposed by Golden Share, the option shall expire on the date that is 10 business days following the end of such blackout period. If Golden Share becomes listed on the Toronto Stock Exchange, the Golden Share Stock Option Plan provides that its Board of Directors may grant options which allow an optionee to elect to exercise its option on a “cashless basis”, whereby the optionee, instead of making a cash payment for the aggregate exercise price, shall be entitled to be issued such number of Golden Share Shares equal to the number which results when: (i) the difference between the aggregate Fair Market Value of the Golden Share Shares underlying the option and the aggregate exercise price of such option is divided by (ii) the Fair Market Value of each Common Share. “**Fair Market Value**” as defined in the Golden Share Stock Option Plan means the closing price as reported by the Toronto Stock Exchange (if Golden Share becomes listed on the Toronto Stock Exchange) on the last trading day immediately preceding the exercise date. Options may be granted with a maximum expiry term of 10 years.

INTEREST OF INFORMED PERSONS IN MATERIAL OPERATIONS

None of the insiders of the Corporation, the proposed nominees for election as director, or any of their respective associates or affiliates, has any material interest, direct or indirect, in any material transaction since the beginning of the Corporation’s most recently completed financial year, or in any proposed material transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, other than the approval of the Stock Option Plan and the grant of royalty as disclosed in this Circular.

AUDIT COMMITTEE

Charter and Composition of the Audit Committee

The text of the Audit Committee’s charter is attached hereto as Schedule “A”.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence	Financial Literacy
Wes Roberts	Independent	Financially Literate
David Graham	Independent	Financially Literate
Zhen Huang	Independent	Financially Literate

Education and Relevant Experience

The education and related experience of each of the members of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee is set out below:

Wes Roberts is a professional mining engineer with over 35 years of experience specializing in the economic evaluation and development of mineral deposits, corporate M&A, due diligence, and mineral exploration agreements including analysis and negotiation of numerous mineral royalty agreements.

Over his career, Mr. Roberts has gained extensive experience in mineral exploration, mining operations, project engineering and management as well as diverse mining engineering experience that includes precious metals, base metals, iron ore and industrial minerals.

Mr. Roberts has held numerous positions in the mining industry, which include Canada Talc Limited, Derry, Michener, Booth, & Wahl, Davey International, Bharti Engineering, GMP Securities, Inco Ltd, Breakwater Resources Ltd (Vice President – Corporate Development (2006 – 2008)), Vice President – Mining to the Canadian law firm Heenan Blaikie LLP (2008 – 2014), Mineral Engineering Consultant with the American law firm Dorsey & Whitney LLP (2014 – 2016), and since 2016 as in-house technical consultant to Gravitas Financial and merchant bank Principle Capital Partners (PCP).

Since 2011, he has actively advised and represented the Inuit Regional Associations of the Territory of Nunavut, (Arctic, Canada) and First Nations in Ontario for with respect to providing commercial land access lease and royalty agreements with major mining companies.

Mr. Roberts holds a B.Sc. (Mining Engineering) and M.Sc. (Mining Engineering) from Queen's University, and an MBA (Finance) from the Schulich School of Business (York University).

David Graham received a B.Sc. from the University of Waterloo in 1983. Since 1986, he has been President of R. Bruce Graham and Associates Ltd., a mineral consulting company founded in 1956. His technical and corporate management experience is in the fields of base and precious metals, uranium, industrial minerals and organic materials. Mr. Graham has acted as a director and/or officer of a number of private and public companies. While a director and Vice President of Noront Resources Ltd., he was part of the team that discovered a number of mineral deposits in the James Bay Lowlands, dubbed the "Ring of Fire". From 2010 to October 2017, Mr. Graham has been a director and Executive Vice President of Bold Ventures Inc. From October 2017 to present, Mr. Graham works as the President and CEO of Bold Ventures Inc.

Zhen Huang Dr. Zhen Huang, Master of Engineering, Master of Management, Geologist. Dr. Huang is currently Chairman of the Board of Beijing Donia Resources Co., Ltd. and Chairman of Pangea Gold Mining (Fiji) Pte. Limited. His experience in the non-ferrous metals industry includes Director of Geology Office and Planning Office of the former General Bureau of Geology and Exploration of China National Non-ferrous Metals Industrial Corporation. Dr. Huang also served as Chairman of the Board of Sinodrill Co. Ltd., Beijing Nonferrous Metals Exploration & Construction Co. Ltd, and Chairman of Sinorex Resource & Environment Engineering (Beijing) Co. Ltd. Dr. Huang has 37 years of experience in non-ferrous minerals exploration and has established four technical service companies covering engineering construction, drilling, environment engineering and mining investment.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended December 31, 2019 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's financial year ended December 31, 2019 has the Corporation relied on the exemption provided under section 2.4 (*De minimis Non-audit Services*) of Regulation 52-110 respecting Audit Committees ("**Regulation 52-110**") or an exemption from Regulation 52-110, in whole or in part, granted under Part 8 of Regulation 52-110 (*Exemptions*). However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of Regulation 52-110 given that it is a venture issuer as defined in Regulation 52-110.

Pre-Approval Policies and Procedures

The Audit Committee of the Corporation has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee's charter attached hereto as Schedule "A".

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors during the financial years ended December 31, 2019 and 2018 were as follows:

Financial Year Ended December 31	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees ⁽¹⁾
2019	13,000	923	3,213	-
2018	22,000	1,562	3,213	26,775

(1) The other fee was paid for assurance and related audit service for energy business span out during the year ended December 31, 2018.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Regulation 58-101 respecting Disclosure of Corporate Governance Practices and *Policy Statement 58-201 to Corporate Governance Guidelines* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate Board of Directors, the functions to be performed by Board of Directors and their committees, and the effectiveness and education of Board of Directors' members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

Board of Directors

The Board of Directors currently consists of four (4) directors: Zhen Huang, Wes Roberts, David Graham and Nick Zeng.

Three (3) directors, Wes Roberts, David Graham and Zhen Huang are considered "independent" as defined by National Policy 52-110 *respecting Audit Committees*. Nick Zeng is a director who is not considered "independent" within the meaning of National Policy 52-110 *respecting Audit Committees* since he is part of senior management.

The fact that the majority of members of the Board of Directors are independent facilitates the exercise of the independence of the Board of Directors in the supervision of the management. The independent directors do not hold regular meetings at which non-independent directors and members of management are not present. However, the Board of Directors, under certain circumstances, will hold meetings without the presence of non-independent directors. In these cases, the independent directors will have frank and open discussions between them.

Directorships

The following table sets out the directors and nominees that are currently the directors of other reporting issuers in all Canadian and foreign jurisdictions:

Name of Director or Nominee	Name of Reporting Issuer
Wes Roberts	Sparton Resources Inc.
David Graham	Bold Ventures Inc.
Zhen Huang	Harmony Energy Technologies Corporation

Orientation and continuing education

The Corporate Governance, Nomination and Compensation Committee is responsible for confirming that procedures are in place and resources are made available to provide new directors with a proper orientation to both the Corporation and their duties and responsibilities as directors and to provide other directors with appropriate continuing education opportunities.

Ethical business conduct

The Board of Directors acknowledges that it shall take on the responsibility of overseeing the competent and ethical operation of the Corporation. In order to guarantee that the directors exercise their judgment in an independent fashion when examining operations and contracts in which a director or a member of senior management has a significant interest, such transactions shall be reviewed and approved only by directors assembled together in a committee of the Board of Directors, where the director who has such an interest shall refrain from participating in the discussions and from voting on the matter. In addition, the Corporation shall take steps to ensure that directors do not undertake any transactions involving the Corporation's stock when important information is about to be communicated.

In light of the Corporation's stage of development and its limited number of employees, the Board of Directors has not taken formal steps to encourage or promote a culture of ethical business conduct. However, the Corporation does take measures to ensure that the directors, officers and employees do not trade in the Corporation's shares at a time when disclosure of material information is pending. Moreover, in this regard, the President and CEO of the Corporation communicates by email with the Board of Directors and staff to inform them of any period of trading restriction imposed due to exploration work current or imminent release or for other reasons deemed appropriate. The Corporation does not currently have a policy against management hedging against the Corporation's securities.

Nomination and Compensation of Directors and CEO

The Board of Directors has established the Corporate Governance, Nomination and Compensation Committee, presently consisting of David Graham, Wes Roberts and Zhen Huang who determine new candidates and compensation. The main duties and responsibilities of the Corporate Governance, Nomination and Compensation Committee include:

- a. Establishing the competencies and skills that the Board of Directors considers to be necessary for the Board of Directors, as a whole, to possess; the competencies and skills that the Board of Directors considers each existing director to possess; and the competencies and skills each new candidate to be elected by shareholders will bring to the Board of Directors.
- b. Recommend candidates for initial Board of Directors' membership and Board of Directors' members for nomination. In making its recommendations, the Corporate Governance, Nomination and Compensation Committee focuses on the competencies, skills and personal qualities of the candidates as well as the business experience that the candidates possess to enhance the Board of Directors' decision-making process and the overall management of the business and affairs of the Corporation.
- c. Recommend to the Board of Directors compensation and benefits for service on the Board of Directors and on-board committees. In discharging this duty, the Corporate Governance, Nomination and Compensation Committee will be guided by three goals:
 - (i) Compensation should fairly pay directors for work required in an issuer of the Corporation's size and scope;

- (ii) It should not exceed what is customary given the size and scope of the Corporation's business and operations; and
 - (ii) Compensation should align directors' interests with the long-term interests of shareholders, and the structure of the compensation should be simple, transparent and easy for shareholders to understand.
- d. Review and recommend any changes to the Board of Directors annually, the directors' compensation and CEO's total compensation, in light of the performance assessment conducted by the Corporate Governance, Nomination and Compensation Committee.

Board and senior management team diversity

Diversity the executive team and the board are mindful of the importance of management diversity, and consider diversity of all types, among other factors, in management succession planning. The Corporation currently considers candidates based on their qualifications, personal qualities, business background and experience, to best bring together a selection of candidates allowing the Board of Directors and the Corporation's management to perform efficiently and act in the best interest of the Corporation and its shareholders.

Golden Share has not adopted a "target" number or percentage regarding women, Aboriginal peoples, persons with disabilities or members of visible minorities on the Board of Directors or in executive officer positions. Of the four members of the Board of Directors and two executive members of the Corporation, there are no woman, no Aboriginal person and no persons with disabilities or members of visible minorities currently serving on the Board and senior management team.

The Corporation is aware of the benefits of diversity on the Board and at the executive level, therefore, the Corporation will comply with the requirements of the Employment Equity Act (Canada) for women, Aboriginal peoples, persons with disabilities, and members of visible minorities in management. The Corporation does not currently have a written policy and specific targets relating to diversity criteria for Board membership and the identification and nomination of women, Aboriginal peoples, persons with disabilities or members of visible minorities as directors, but we believe that our diversity policy and Corporate governance guidelines, sufficiently encourage our Governance committee to consider Aboriginal peoples, members of visible minorities and persons with disabilities when selecting director or executive candidates.

Assessments

The Board of Directors has mandated the Corporate Governance, Nomination and Compensation Committee to annually review the effectiveness of the Board of Directors and its committees in fulfilling their duties and responsibilities. In addition, the Corporate Governance, Nomination and Compensation Committee is to evaluate individual directors to assess their suitability for nomination for re-election.

MANAGEMENT CONTRACTS

There are no management functions of the Corporation or any of its subsidiaries which are to any substantial degree performed by a person or a company other than the directors or Executive Officers of the Corporation or any of its subsidiaries.

OTHER BUSINESS ON THE AGENDA

Management of the Corporation has no knowledge of any changes regarding the items described in the enclosed Notice of Meeting nor of any other business which could be submitted to the Meeting, except for those items mentioned in the Notice of Meeting.

However, if any change or other business is validly brought before the Meeting, the attached form of proxy confers a discretionary power on the persons designated therein to vote as they see fit on the changes regarding any such items mentioned in the Notice of Meeting or on any other business.

ADDITIONAL INFORMATION

The Corporation financial information is included in the Consolidated Financial Statements of the Corporation and Notes thereto and in the accompanying Management's Discussion and Analysis for the fiscal year ended December 31, 2019. Copies of these documents and additional information concerning the Corporation can be found on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

APPROVAL

The Board of Directors of the Corporation has approved the contents of the Circular and the transmittal letter to the Shareholders.

Dated this 26th day of June, 2020

(Signed) "Nick Zeng"

Nick Zeng, Chairman, President and CEO

SCHEDULE “A”**CHARTER OF THE AUDIT COMMITTEE****Purpose**

The audit committee is a standing committee of the board of directors. Its primary duty is to assist the board of directors in fulfilling its supervisory role with regard to the following:

1. The completeness of the financial statements and the information provided to shareholders and to other persons concerned.
2. The Corporation’s compliance with financial regulatory requirements.
3. The accuracy and effectiveness of the internal control mechanisms implemented and maintained by management.
4. The competency, independence and performance of the external auditor who must report to the audit committee, to the board of directors and to the shareholders.

Composition

The audit committee is comprised of at least three directors, including one chairman, who are named by the board of directors every year after the annual meeting. The majority of the committee members must not be officers or other employee of the Corporation or of an affiliate.

Each committee member must meet the requirements in matters of independence, financial knowledge and experience, the requirements of the applicable laws that govern the Corporation and the rules of the Stock Exchanges on which the Corporation’s shares are listed as well as the requirements of competent securities authorities.

The board of directors may, at any time, terminate a committee member’s duties or replace him or her and it must fill vacant positions on the committee.

Structure and functioning

The chairman of the board, the chairman of the committee or two members of the committee may call a committee meeting at any time. The committee meets as required but not less than two times per year. *Quorum* is reached where two members are present at committee meetings, irrespective of their status, and the composition thereof must comply with the requirements of the *Canada Business Corporations Act*.

The chairman of the committee, in cooperation with the chairman of the board, draws up the agenda for each committee meeting taking into account the items appearing in the committee’s activity program which is approved each year by the board of directors. At each meeting, the committee may also sit privately with only the committee members in attendance. The committee may retain the services of special consultants, where it deems it expedient, at the expense of the Corporation.

The chairman of the committee or the person appointed by him or her submits a committee activity report to the board of directors after each meeting and makes recommendations to the board of directors regarding issues that require board approval.

Each year, the committee reviews this charter and the items appearing in the committee activity program and, where necessary, recommends changes to the board of directors so that it will approve them. Together with the board of directors, the committee evaluates and considers the committee's annual performance.

Duties and responsibilities of the audit committee and review

1. Review the unaudited interim financial statements and management's analysis of the financial situation and operating results with management and the external auditors by addressing, in particular, with the external auditors, questions that must be the subject matter of discussion pursuant to the generally accepted auditing standards that apply to the Corporation.
2. Review the press releases announcing the Corporation's financial results.
3. Review with management and the external auditors, after completion of the annual audit:
 - (a) the audited annual financial statements;
 - (b) the audit of the annual financial statements made by the external auditor as well as the latter's report thereon;
 - (c) management's analysis of the financial situation and operating results;
 - (d) any material change that had to be made to the external audit plan;
 - (e) any material question brought to management's attention during the audit, including any restriction on the scope of activities or access to information;
 - (f) any question related to the performance of the audit that must be the subject matter of discussion pursuant to the generally accepted auditing standards that apply to the Corporation.
4. Ensure that the external auditor is convinced that judgment and accounting estimates made by management as well as the accounting principles chosen by management reflect the adequate application of generally accepted accounting principles.
5. Review the Corporation's main accounting policies and methods with management and the external auditor.
6. Ensure the independence of the external auditor, given the requirements in respect thereto provided by the laws governing the Corporation and by the applicable rules of the Stock Exchanges on which the Corporation's shares are listed. At least once a year, the external auditor submits a written statement to the committee outlining all its relations with the Corporation; the committee reviews it with him or her and, where necessary, recommends that the board take the requisite measures to ensure the independence of the external auditors and their responsibility toward the committee and the board.
7. Evaluate the performance of the external auditor and recommend to the board the appointment or, where it deems it expedient, the replacement of the external auditor subject to shareholder approval.
8. Consider, review and approve the services offered by the external auditor and the fees to be paid to the external auditors with regard to the audit, to the related services rendered and to other services that are provided for by law and that comply with the guidelines established by the board limiting the recourse to the services of the external auditor.
9. Review with the external auditor and management the general scope of the annual audit plan and the resources that the external auditor will devote to the audit.

10. Require that management implement and maintain appropriate internal control mechanisms and review, evaluate and approve such mechanisms.
11. Review and discuss with the chief executive officer and chief financial officer the certificates related to the communication of the financial information and to the controls which such officers must file with securities authorities pursuant to the law.
12. Discuss the qualifications required to be a financial expert and determine if a committee member is a financial expert and ensure that the committee members have the financial knowledge.
13. Approve the methods established to deal with complaints, including anonymous complaints made by employees, regarding issues related to accounting, internal control and audit.
14. Review the Corporation's practices to ensure that any transaction made with affiliates and likely to adversely affect the solvency or the stability of the Corporation is identified.
15. Perform the other duties or exercise the powers that the board may, on a timely basis, entrust or assign to the committee as well as any other duty which the law, regulations or the applicable rules of the Stock Exchanges might impose on an audit committee.