



# **UEX CORPORATION**

## **MANAGEMENT INFORMATION CIRCULAR**

For the Annual General Meeting of Shareholders  
to be held on

**June 13, 2017**

Dated May 1, 2017

(Information current as at May 1, 2017 unless otherwise noted.)

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**UEX CORPORATION**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To be held on June 13, 2017**

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of shareholders of UEX Corporation (the “**Corporation**”) will be held on Tuesday, June 13, 2017 at 10:00 a.m. (Vancouver time) at the offices of the Corporation, Suite 1700 - 750 West Pender Street, Vancouver, British Columbia for the following purposes:

1. To receive the audited financial statements of the Corporation for the year ended December 31, 2016 with auditor’s report thereon;
2. To elect six directors for the ensuing year;
3. To appoint the auditor for the ensuing year;
4. To reapprove all unallocated entitlements under the Corporation’s 10% Rolling Stock Option Plan; and
5. To transact such other business as may properly come before the meeting or any adjournment thereof.

All matters set forth above for consideration at the Meeting are more particularly described in the accompanying management information circular. The audited financial statements of the Corporation for the year ended December 31, 2016 have been mailed to the shareholders of the Corporation in accordance with the *Canada Business Corporations Act* and National Instrument 51-102 and may also be viewed on the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

Only shareholders of record at the close of business on May 1, 2017 will be entitled to receive notice of, and to vote at, the Meeting or any adjournment thereof. Registered shareholders who are unable to or who do not wish to attend the Meeting in person are requested to date and sign the enclosed Proxy form promptly and return it in the self-addressed envelope enclosed for that purpose or by any of the other methods indicated in the Proxy form. To be used at the Meeting, proxies must be received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 by 10:00 a.m. (Vancouver time) on June 9, 2017 or, if the Meeting is adjourned, by 10:00 a.m. (Vancouver time), on the second last business day prior to the date on which the Meeting is reconvened, or may be accepted by the chair of the Meeting prior to the commencement of the Meeting. If a registered shareholder receives more than one Proxy form because such shareholder owns shares registered in different names or addresses, each Proxy form should be completed and returned.

Dated as of May 1, 2017.

**BY ORDER OF THE BOARD**

*“Roger Lemaitre”*

**ROGER LEMAITRE**

President and Chief Executive Officer

## MANAGEMENT INFORMATION CIRCULAR

### GENERAL VOTING INFORMATION

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#### PERSONS OR COMPANIES MAKING SOLICITATION

This management information circular (“**Information Circular**”) is furnished in connection with the solicitation of proxies by the management (“**Management**”) of UEX Corporation (the “**Corporation**” or “**UEX**”) for use, and to be voted at, the annual general meeting of shareholders of the Corporation (the “**Meeting**”) to be held on Tuesday, June 13, 2017 at 10:00 a.m., Vancouver time, at the offices of the Corporation, Suite 1700 - 750 West Pender Street, Vancouver, British Columbia, for the purposes set forth in the accompanying Notice of Meeting.

It is expected that the solicitation of proxies will be primarily by mail and may be supplemented by telephone, telegraph or other personal contact made, without special compensation, by the directors and officers of the Corporation. The Corporation may reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals proper authorization to execute proxies. The Corporation may also reimburse brokers and other persons holding shares in their own name or in the names of their nominees for their expenses in sending proxies and proxy-related material to the beneficial owners, and obtaining their proxies, but solicitations will not be made by employees engaged for that purpose or by soliciting agents. The cost of solicitation will be borne by the Corporation.

#### NOTICE AND ACCESS

The Corporation has decided to take advantage of the notice-and-access provisions (“**Notice and Access**”) under the Canadian Securities Administrators’ National Instrument 54-101—Communication with Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”) for the delivery of the Information Circular for the Meeting to its “Non-Registered Holders” (as defined under “Non-Registered Holders”). The use of the alternative Notice and Access procedures in connection with the Meeting for Non-Registered Holders helps reduce paper use, as well as the Corporation’s printing and mailing costs. The Corporation will continue to send paper copies of the Information Circular for the Meeting to its registered shareholders.

Under Notice and Access, instead of receiving paper copies of the Information Circular, Non-Registered Holders receive a notice (“**Notice and Access Notification**”) with information on the Meeting date, location and purpose, as well as information on how they may access the Information Circular electronically or request a paper copy. The Corporation will arrange to mail paper copies of the Information Circular to those Non-Registered Holders who have existing instructions on their account to receive paper copies of the Corporation’s proxy-related materials.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are directors and/or officers of the Corporation and are nominees of Management.

**A shareholder of the Corporation has the right to appoint a person, other than the person designated in the accompanying form of proxy (who need not be a shareholder of the Corporation, or otherwise entitled to attend and vote at the Meeting) to attend and act for the shareholder and on the shareholder’s behalf at the meeting.**

A shareholder desiring to appoint some other person may do so either by inserting the desired person’s name in the blank space provided for that purpose in the accompanying form of proxy or by completing another proper form of proxy.

To be used at the Meeting, proxies must be received by Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 by 10:00 a.m. (Vancouver time) on June 9, 2017 or, if the Meeting is adjourned, by 10:00 a.m. (Vancouver time), on the second last business day prior to the date on which the Meeting is reconvened, or may be accepted by the chair of the Meeting prior to the commencement of the Meeting.

A shareholder giving a proxy has the power to revoke it at any time to the extent that it has not been exercised. In addition to revocation in any other manner permitted by law, a shareholder giving a proxy has the power to revoke

it by depositing an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation and delivered either to the registered office of the Corporation (19th Floor, 885 West Georgia Street, Vancouver, British Columbia V6C 3H4) at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) thereof, at which the proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment(s) thereof at which the proxy is to be used.

### **VALIDITY OF INSTRUMENT OF PROXY**

A proxy or an instrument appointing a duly authorized representative of a corporation shall be in writing, under the hand of the appointor or his or her attorney duly authorized in writing, or, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorized for that purpose.

### **VOTING OF SHARES REPRESENTED BY THE INSTRUMENT OF PROXY AND DISCRETIONARY POWERS**

At the time of printing this Information Circular, Management knows of no amendments, variations or other matters which may be presented for action at the Meeting other than the matters referred to in the accompanying Notice of Meeting.

The shares represented by the accompanying form of proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly on such ballot.

**The accompanying form of proxy when duly completed and delivered and not revoked confers discretionary authority upon the persons named therein with respect to matters where no choice is specified. Where such a proxy specifies as proxyholder a nominee of Management, the shares will be voted as if the shareholder had specified an affirmative vote.**

### **NON-REGISTERED HOLDERS**

Only registered holders of common shares of the Corporation or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, common shares beneficially owned by a holder (a "**Non-Registered Holder**") are registered either:

- (a) in the name of an Intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (CDS)) of which the Intermediary is a participant.

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

In accordance with the requirements of NI 54-101, the Corporation has elected to send the Notice and Access Notification in connection with the Meeting directly to the NOBOs, and indirectly through Intermediaries to the OBOs.

The Intermediaries (or their service companies) are responsible for forwarding the Notice and Access Notification to each OBO, unless the OBO has waived the right to receive proxy-related materials from the Corporation. Intermediaries will frequently use service companies to forward proxy-related materials to the OBOs. Generally, an OBO who has not waived the right to receive proxy-related materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the OBO and must be completed, but not signed, by the OBO and deposited with Computershare Investor Services Inc.; or
- (b) more typically, be given a voting instruction form (“**VIF**”) which is not signed by the Intermediary, and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow.

The Corporation will not be paying for Intermediaries to deliver to OBOs (who have not otherwise waived their right to receive proxy-related materials) copies of proxy-related materials and related documents (including the Notice and Access Notification). Accordingly, an OBO will not receive copies of proxy-related materials and related documents unless the OBO’s Intermediary assumes the costs of delivery.

**Applicable proxy-related materials are being sent to both registered shareholders of the Corporation and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation or its agent has sent the applicable proxy-related materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.**

The Notice and Access Notification and any proxy-related materials sent to NOBOs who have not waived the right to receive proxy-related materials are accompanied by a VIF, instead of a proxy form. By returning the VIF in accordance with the instructions noted on it, a NOBO is able to instruct the voting of the common shares of the Corporation owned by the NOBO.

VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the common shares of the Corporation which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on the Non-Registered Holder’s behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder, or the Non-Registered Holder’s nominee, the right to attend and vote at the Meeting.

**Non-Registered Holders should return their voting instructions as specified in the VIF sent to them. Non-Registered Holders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.**

Although Non-Registered Holders may not be recognized directly at the Meeting for the purpose of voting common shares of the Corporation registered in the name of their broker, agent or nominee, a Non-Registered Holder may attend the Meeting as a proxyholder for a registered shareholder and vote common shares in that capacity. Non-Registered Holders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should contact their broker, agent or nominee well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their common shares as a proxyholder.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

Only common shares without par value of the Corporation carry voting rights at the Meeting with each common share carrying the right to one vote. The Board of Directors of the Company (the “**Board of Directors**” or “**Board**”) has fixed May 1, 2017 as the record date (the “**Record Date**”) for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment thereof, and only shareholders of record at the close of business on that date are entitled to such notice of and to vote at the Meeting. As of the Record Date, 319,238,873 common shares were issued and outstanding as fully paid and non-assessable.

To the knowledge of the directors and executive officers of the Corporation, no person beneficially owns, or controls or directs, directly or indirectly, common shares of the Corporation carrying 10% or more of the voting rights attached to the common shares at the Record Date (based on public filings), except for the following:

Name	Number of Common Shares	Percentage of Issued and Outstanding Common Shares
Cameco Corporation	50,020,427	15.67%

**CURRENCY**

All currency amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated.

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## BUSINESS OF THE MEETING

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### 1. ELECTION OF DIRECTORS

The directors of the Corporation are elected annually and each person so elected will hold office until the next annual meeting of the Corporation unless the director ceases to hold office pursuant to the *Canada Business Corporations Act*, or the director's office is earlier vacated pursuant to the by-laws of the Corporation. The number of directors of the Corporation is currently fixed at six. At the Meeting, shareholders will be asked to elect six directors. Unless otherwise directed, the persons named as the nominees of Management in the accompanying form of proxy intend to vote for the election of a Board of Directors comprised of the six nominees listed below, all of whom are current directors of the Company.

The Board has adopted a Majority Voting Policy stipulating that in an uncontested election of directors, if the number of common shares "withheld" for any nominee exceeds the number of common shares voted "for" the nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, the director shall tender a written resignation to the chair of the Board. The Board must take formal action on the Nominations Committee's recommendation within 90 days of the date of the applicable shareholders meeting and announce its decision by press release. Further to Toronto Stock Exchange ("TSX") rules, the Board must accept such director's resignation absent exceptional circumstances. See "Corporate Governance Disclosure – Majority Voting Policy".

Each of the nominees listed below has advised Management of willingness to serve as a director if elected. Management does not contemplate that any of the nominees will be unable to stand for election and serve as a director, but should that circumstance arise for any reason, **proxies in favour of Management designees will be voted for another nominee in their discretion unless the shareholder has specified in the shareholder's proxy form that the shareholder's shares are to be withheld from voting in the election of directors.**

The Corporation is party to an agreement with Pioneer Metals Corporation and Cameco Corporation ("**Cameco**") dated October 23, 2001 (the "**Cameco Agreement**") pursuant to which Cameco is entitled to nominate one member of the Board of Directors of the Corporation so long as it holds not less than 10% of the outstanding common shares of the Corporation. Cameco has not exercised its right, at this time, to nominate a representative to the Board.

Pursuant to the by-laws of the Corporation, any additional nominations for election as directors of the Corporation at the Meeting must be received by the Company in compliance with the by-laws not less than 30 nor more than 65 days prior to the date of the Meeting.

### DIRECTOR NOMINEES

The six (6) directors seeking election for six (6) board seats in 2017 are:

Suraj P. Ahuja  
Mark P. Eaton  
Roger Lemaitre

Emmet McGrath  
Catherine Stretch  
Graham C. Thody

**DIRECTOR NOMINEES' BIOGRAPHIES****Suraj P. Ahuja, 72**

Independence Status	Independent
Place of Residence	British Columbia, Canada
Directorship with UEX Corporation	Since August 25, 2004
Committee Memberships	Lead Director <b>Chair of:</b> Corporate Governance Committee <b>Member of:</b> Audit Committee, Nominations Committee and Compensation Committee
Present Occupation	President, SKAN Consulting Inc. and Corporate Director



Mr. Ahuja's career as a geologist in the mining industry spans over 40 years managing the exploration and development of projects primarily in the uranium sector. From 1978 to 1988, he was employed by Cameco's predecessor and, from 1988 to 2001, by PNC Exploration (Canada) Co. Ltd., a Japanese government-owned uranium exploration company. Since 2001, Mr. Ahuja has been consulting for several major and junior uranium exploration companies through his own mineral exploration consulting company, SKAN Consulting Inc., located in West Vancouver, BC. Mr. Ahuja has been appointed as the Lead Director of the Board.

**Mark P. Eaton, 53**

Independence Status	Independent
Place of Residence	Ontario, Canada
Directorship with UEX Corporation	Since March 25, 2008
Committee Memberships	<b>Chair of:</b> Compensation Committee <b>Member of:</b> Corporate Governance Committee and Nominations Committee
Present Occupation	Executive Chairman of Belo Sun Mining Corporation and Corporate Director



Mr. Eaton is a graduate of Hull University, England and is an experienced investment professional with over 20 years of experience in equity capital markets, specializing in the resource sector. He formerly held the positions of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto, Canada, and Manager of U.S. Equity Sales for CIBC World Markets. He was a partner and director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, until March 2008. He is currently the Executive Chairman of Belo Sun Mining Corp, a gold exploration company listed on the TSX.

**Roger Lemaitre, 48**

Independence Status	Not Independent
Place of Residence	Saskatchewan, Canada
Directorship with UEX Corporation	Since January 15, 2014
Committee Memberships	None
Present Occupation	President and CEO of UEX Corporation



Mr. Lemaitre is a Professional Engineer and Geologist with more than 20 years of professional experience, with both senior and junior mining companies. Before joining UEX, Mr. Lemaitre held the position of CEO and Executive Director of URU Metals Limited (“URU”), an AIM-listed junior uranium and base metal exploration company, where he re-organized the company’s asset mix by identifying and successfully acquiring significant new exploration projects. Prior to joining URU, Mr. Lemaitre held a variety of senior management positions with Cameco Corporation, one of the world’s largest uranium producers, and was Cameco’s Director of Worldwide Exploration Projects. In this position, Mr. Lemaitre had responsibility for overseeing the execution of Cameco’s growing international exploration programs and budgets as well as overseeing the field activities of three global exploration offices. Before becoming the Director of Worldwide Exploration, Mr. Lemaitre was Cameco’s Manager of Regional Exploration, Saskatchewan and was involved in Cameco’s strategic growth team tasked with the identification of opportunities in the uranium sector.

Mr. Lemaitre has a Masters of Applied Science in Geology from McGill University, a Master of Applied Science in Geological Engineering from Queens University and a Master of Business Administration from Athabasca University.

**Emmet McGrath, 68**

Independence Status	Independent
Place of Residence	British Columbia, Canada
Directorship with UEX Corporation	Since December 16, 2009
Committee Memberships	<b>Chair of:</b> Audit Committee <b>Member of:</b> Compensation Committee
Present Occupation	Retired as of December 5, 2012 (Former Chief Financial Officer of Lincoln Mining Corp.) and Corporate Director



Mr. McGrath is a member of the Chartered Professional Accountants of British Columbia, and was an audit partner with KPMG from 1981 to 2002. He has a thorough understanding of the regulatory and statutory reporting requirements of publicly listed companies and is well versed in corporate governance matters, having completed the Directors Education Program offered by the Institute of Corporate Directors. Mr. McGrath has extensive experience in mergers and acquisitions and has previously sat on the Board of Directors of several publicly listed companies in the mining industry. He was formerly the Chairman and is presently a member of the Board of Directors of Westminster Savings Credit Union (the fourth largest credit union in British Columbia), Central One Credit Union and the Co-Operators Group.

**Catherine Stretch, 46**

Independence Status	Independent
Place of Residence	Ontario, Canada
Directorship with UEX Corporation	Since January 1, 2017
Committee Memberships	<b>Chair of:</b> Nominations Committee <b>Member of:</b> Audit Committee and Corporate Governance Committee
Present Occupation	CEO of Castara Management Inc., CCO of Aguia Resources, Managing Director DT Plantations Inc., Project Director Brazil Potash Corp. and Corporate Director.



Ms. Stretch has experience developing mining and agriculture projects in Canada, South America, Europe and Asia. She was previously the Chief Operating Officer and partner of a Canadian investment firm which had one billion dollars in assets under management and focused on managing resource oriented investment funds. Ms. Stretch is currently the audit committee chair of a TSX Venture Exchange (“**TSX-V**”) listed company engaged in the acquisition and development of mineral properties in Spain and Brazil. Ms. Stretch is also the audit committee chair of a TSX-V listed company that provides data analytics services and was previously the audit committee chair of a TSX listed mining company that is currently developing a gold mine in Brazil. Ms. Stretch has a Bachelor of Economics from the University of Western Ontario and a Masters of Business Administration from York University.

**Graham C. Thody, 66**

Independence Status	Not Independent
Place of Residence	British Columbia, Canada
Directorship with UEX Corporation	Since October 2, 2001
Committee Memberships	<b>Chair of:</b> Board of Directors
Present Occupation	Consultant to UEX Corporation to December 31, 2015, retired as of January 1, 2014 (former President and CEO of UEX Corporation) and Corporate Director



Mr. Thody was the President and CEO of UEX Corporation from September 2009 until his retirement in January of 2014, at which time he transitioned to a consulting role with UEX and remains a director of UEX. Mr. Thody served as Chair of the Board of UEX from June 2007 until June 2010. Mr. Thody is non-independent due to the consulting agreement he had with the Company until December 31, 2015. It is expected that Mr. Thody will once again be an independent Director after January 1, 2018, presuming there are no other events or circumstances that could be deemed to affect his independent decision making as a Director.

Mr. Thody was a partner of NTA, Chartered Accountants of Vancouver, BC from 1979 until his retirement from public practice in 2007. His practice focused on audits of reporting companies, participation in the initial public offering process, corporate mergers and acquisitions as well as domestic and international tax matters. He was a director of Pioneer Metals Corporation at the time of the adoption of the Plan of Arrangement which created UEX Corporation and has been a director of UEX since its inception. Mr. Thody is a past director, executive member and chair of the Finance Committee for the Lions Gate Hospital Foundation and has been a member of the Chartered Professional Accountants of British Columbia (or predecessor entity) since 1976. He holds a Bachelor of Commerce degree (Marketing) from the University of British Columbia (1973). He is currently Chairman and Chair of the Audit Committee of two publicly listed companies and is Chair of the Audit Committee of a third publicly listed company.

The following table sets out the name and the number of common shares of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by each director nominee as at the Record Date:

Name	Shares Beneficially Owned or Controlled
Suraj P. Ahuja	25,000
Mark P. Eaton	408,500
Roger Lemaitre	185,400
Emmet McGrath	22,400
Catherine Stretch	-
Graham C. Thody	826,000

Other than as disclosed herein, no proposed director of the Corporation is, or within the ten years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any issuer that:

- (a) while such person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after such person ceased to be a director, chief executive officer or chief financial officer, in the issuer being 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.

Graham Thody was a director of SilverCrest Mines Inc. (“**SilverCrest**”) when SilverCrest received, in December 2010, notification of administrative proceedings from the United States Securities and Exchange Commission (“**SEC**”). This notification was issued as a result of a registration statement filed in 1999 by Strathclair Ventures Ltd., a predecessor company to SilverCrest which was under different management until SilverCrest assumed control in 2003. The notification alleged that Strathclair (subsequently SilverCrest) had not filed periodic reports with the SEC sufficient to maintain its registration in the United States. Following discussions with the SEC and to end the proceedings, SilverCrest entered into a consent order with the SEC dated January 10, 2011 through which SilverCrest agreed to the revocation of the registration of its common shares in the United States under the United States Securities Exchange Act of 1934. As a result, broker-dealers in the United States were unable to trade the common shares of SilverCrest. On May 31, 2011, SilverCrest filed a registration statement on Form 40-F for the purpose of registering its common shares under the United States Securities Exchange Act of 1934. Upon the registration statement taking effect on August 1, 2011, broker-dealers in the United States were able to trade common shares of SilverCrest in the United States. In connection with a merger transaction, in October 2015, SilverCrest ceased to be listed on any stock exchange or be a reporting issuer in any jurisdiction.

Other than as disclosed herein, no proposed director of the Corporation, has been within the ten years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in such capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

Emmet McGrath was a director of Cross Lake Minerals Ltd., which filed for Court protection under the *Companies’ Creditors Arrangement Act* (“**CCA**”) on October 14, 2008. Mr. McGrath was a director at the time of the filing but subsequently resigned on October 23, 2008. Cross Lake Minerals Ltd. filed for bankruptcy as part of the plan of arrangement under CCA on May 29, 2009.

No proposed director of the Corporation has within the ten 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 that individual.

No proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## **2. APPOINTMENT OF AUDITOR**

Shareholders will be asked at the Meeting to approve the reappointment of KPMG LLP, of 777 Dunsmuir Street, Vancouver, British Columbia, V7Y 1K3 (“**KPMG**”), as the auditor of the Corporation until the next annual general meeting of the Corporation. KPMG was first appointed auditor of the Corporation in April 2002.

Unless otherwise directed, the persons named as nominees of Management in the accompanying form of proxy intend to vote for the reappointment of KPMG as auditor of the Corporation.

## **3. RE-APPROVAL OF STOCK OPTION PLAN**

Shareholders will be asked at the Meeting to re-approve the unallocated entitlements under the Corporation’s existing stock option plan (the “**Option Plan**”). The Option Plan is a “rolling” stock option plan, which reserves a maximum of 10% of the Corporation’s total outstanding common shares. The rules of the TSX provide that, where a corporation has a rolling stock option plan in place, it must seek shareholder approval for the unallocated entitlements under such plan every three years.

In the event that the resolution to re-approve the unallocated entitlements under the Option Plan is not passed by the requisite number of votes cast at the meeting, the Corporation will not have an operative stock option plan and will not be able to issue additional stock options until such time as another stock option plan is created and approved. Options previously granted under the Option Plan will continue to be outstanding and unaffected if the resolution is not approved, however previously granted options will not be available for re-allocation if they are cancelled prior to exercise. The Option Plan is described below under “Securities Authorized for Issuance under Equity Compensation Plans” and a full copy of the Option Plan is attached to this Information Circular as Appendix “B”.

As of the date of this Information Circular, the Corporation has 319,238,873 common shares issued and outstanding. This means that a total of 31,923,887 common shares are available for reservation under the Option Plan as of the date hereof. As the number of options currently outstanding is 20,204,000, the number of options available for grant as of the date hereof is 11,719,887.

In order for the resolution approving the unallocated entitlements under the Option Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the persons named as nominees of Management in the accompanying form of proxy intend to vote for the resolution set out below.

### **“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. All unallocated entitlements under the Option Plan of the Corporation are hereby approved;
2. The Corporation has the ability to continue granting options under the Option Plan until June 13, 2020, which is the date that is three years from the date of the shareholder meeting at which shareholder approval for the Option Plan is being sought; and
3. Any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that may be necessary or desirable to give effect to this resolution.”

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## COMPENSATION OVERVIEW

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### STATEMENT OF EXECUTIVE COMPENSATION

#### COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Committee of the Board is responsible for establishing Management compensation based on the Board's evaluation of Management performance. It is the responsibility of the Compensation Committee to ensure Management compensation is competitive so as to enable the Corporation to continue to attract talented individuals. During 2016, the Compensation Committee was comprised of three independent directors: Mark Eaton (Chair), Emmet McGrath and Suraj Ahuja.

The Compensation Committee compensates Management for performance using the following forms of remuneration: base salaries, cash bonuses and share option grants. As an exploration and development company, the Corporation does not yet have sales revenues that would give rise to earnings or cash flow based performance metrics for compensation purposes. The Board believes that Management performance in building shareholder value for the Corporation at this stage is fundamentally related to success in achieving the Corporation's principal project and corporate objectives as outlined elsewhere in this document, and to obtaining at reasonable terms ongoing financing that allows these objectives to be realized.

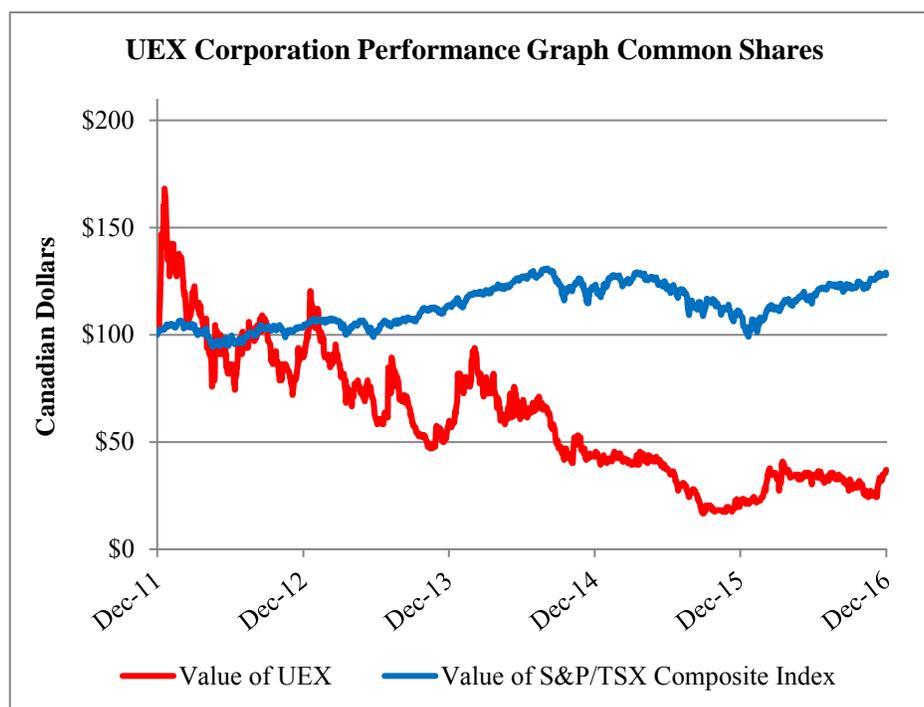
Base salaries are determined largely by reference to market conditions for salaries for equivalent positions and roles. In addition to both corporate and individual performance, the Compensation Committee considered, among other things, the industry in which the Corporation operates, the competitive landscape for hiring executives within this industry, the public nature of the Corporation, the market capitalization of the Corporation and the defined responsibilities of each of the executive officers when setting base salary levels. The Compensation Committee utilizes, where appropriate, externally published salary data in assisting with its decisions. In setting salary levels for 2017, the Compensation Committee referred to the 2015 and 2016 Mining Industry Reports of Board and Executive Compensation presented by Bedford Consulting Group and Bedford Resources. Annual incentive share option awards provide the opportunity for enhanced share value based upon performance and the overall success of the Corporation in any given year. In 2016, the Compensation Committee did not recommend or approve any increases to the base level compensation for management of the Company for 2017. Incentive share options for Named Executive Officers ("NEO") are reviewed and awarded once per year. The amounts of incentive share options awarded take into account the performance of the Corporation and Management, industry trends, and the value of such option awards as calculated using Black-Scholes valuation methods.

Cash bonuses are awarded at the discretion of the Compensation Committee, where Management performance was judged to warrant such an incentive. The Compensation Committee does not have a pre-determined, performance-based compensation plan that governs such bonus awards but rather reviews the performance of the NEOs at the end of each fiscal year. The Compensation Committee believes that the salary, bonus, and incentive share options paid to each of the executive officers during the last fiscal year were commensurate with their position, experience and the general market. With respect to risks associated with the Corporation's compensation practices, the Compensation Committee believes that the largest material risk, the potential loss of valuable employees due to improper compensation practices, is mitigated by the broad experience of the Corporation's directors, and by the utilization of external third party sources of compensation data.

The Corporation has no formal policy in relation to whether a NEO or director is permitted to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

## PERFORMANCE GRAPH

The common shares of the Corporation have been trading on the TSX since July 17, 2002 under the symbol “UEX”. The following chart compares the total cumulative shareholder return for \$100 invested in common shares of the Corporation on December 31, 2011, with the cumulative total return of the S&P/TSX Composite Index (formerly the TSE 300 Composite Index) for the period from December 31, 2011 to December 31, 2016. The performance of common shares of the Corporation as set out in the graph does not necessarily indicate future price performance.



	<u>Dec. 2011</u>	<u>Dec. 2012</u>	<u>Dec. 2013</u>	<u>Dec. 2014</u>	<u>Dec. 2015</u>	<u>Dec. 2016</u>
S&P/TSX Composite Index	\$ 100.00	\$ 104.00	\$ 113.94	\$ 122.40	\$ 108.82	\$ 127.88
UEX Corporation	\$ 100.00	\$ 89.39	\$ 59.85	\$ 43.18	\$ 22.73	\$ 37.12

Over the five-year period set forth in the performance graph above, the value of UEX has lagged compared to the composite indices shown due to general declines in resource industry equities following the financial crisis, and subsequent declines in uranium equities following the nuclear accident at Fukushima in 2011. These structural five-year declines have not been matched by executive salary reductions simply due to the need to maintain effective and efficient management of the Corporation to ensure long-term shareholder value creation. However, there is a correlation between the total compensation of the NEOs to the Corporation’s five-year common share price trend because long-term incentive compensation constitutes a significant portion of their respective total compensation.

## SHARE-BASED AND OPTION-BASED AWARDS

The Compensation Committee oversees all administrative requirements of the Option Plan of the Corporation and, subject to confirmation by the Board, approves the granting of options under the Option Plan. Among other considerations, the Board and the Compensation Committee review and consider all outstanding options in determining whether it is desirable to grant additional options to directors and officers of the Corporation.

The Compensation Committee is responsible for reviewing the Option Plan and recommending any amendments which they may consider necessary to the Board for consideration. The Compensation Committee may consult with the Chief Executive Officer and others in reviewing and considering possible amendments to the Option Plan.

For further information on the Option Plan, see “Securities Authorized for Issuance under Equity Compensation Plans – Equity Compensation Plan Information” and Appendix B.

## COMPENSATION GOVERNANCE

The Corporation’s Compensation Committee oversees the principal compensation related decisions in accordance with the Compensation Committee Charter and the Option Plan. As set out above under “Compensation Discussion and Analysis”, the Compensation Committee has included in its deliberations, externally produced analyses of industry salary data which, in combination with the overall experience and expertise of the Board, ensures that executive compensation for the Corporation is both effective in accomplishing its objectives, and in accordance with industry norms.

The roles and responsibilities of the Compensation Committee are outlined in the Compensation Committee Charter. The Committee’s primary purpose is to, in consultation with the Chief Executive Officer: 1) establish a plan of executive compensation that is linked to performance and shareholder value and that is competitive and appropriate to attract, hold, incentivize and motivate the Executive Management and other key employees; and 2) conduct annually a review of the performance of each member of the Executive Management and recommend individual Executive Management compensation.

More specifically, the Compensation Committee, in consultation with the Chief Executive Officer and others:

- (a) develops for recommendation to the Board of Directors, and reviews at least annually, a general compensation approach for employees;
- (b) reviews and recommends to the Board of Directors for consideration, approval, and establishment by the Board of Directors, employee benefits plans and guidelines with respect to those plans;
- (c) within any guidelines established by the Board of Directors, oversees all administrative requirements with regard to the Option Plan and, subject to confirmation by the Board of Directors, approves the granting of share options of the Corporation and reviews and recommends any amendments to the Option Plan which the Compensation Committee considers necessary;
- (d) within any guidelines established by the Board of Directors, administers the incentive compensation plans for Executive Management of the Corporation, designates key employees as Executive Management for the purposes of receiving incentive compensation, and annually reviews and recommends any amendments to the incentive compensation plan which the Compensation Committee considers necessary;
- (e) examines, at least annually, the roles of Executive Management and recommends to the Board of Directors the establishment of new positions or roles or other changes within Executive Management when to do so would be beneficial to the Corporation; and
- (f) reviews as required, the Corporation’s succession plans for Executive Management, including specific development plans and career planning for potential successors, and recommends them to the Board of Directors.

The members of the Compensation Committee, and their experience related to the committee roles and responsibilities, are as follows. All of the Compensation Committee members are independent.

*Mark Eaton*

Mr. Eaton is a graduate of Hull University, England and is an experienced investment professional with over 20 years of experience in equity capital markets, specializing in the resource sector. He formerly held the positions of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto Canada, and Manager of U.S. Equity Sales for CIBC World Markets. He was a partner and director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, until March 2008. He is currently the Executive Chairman of Belo Sun Mining Corp. Mr. Eaton brings extensive experience pertaining to compensation matters through his high-level experience both with large investment companies and with publicly listed resource companies.

*Emmet McGrath*

Mr. McGrath is a member of the Chartered Professional Accountants of British Columbia and was an audit partner with KPMG from 1981 to 2002. He has a thorough understanding of the regulatory and statutory reporting requirements of publicly listed companies and is well versed in corporate governance matters, having completed the Directors Education Program offered by the Institute of Corporate Directors. Mr. McGrath has extensive experience in mergers and acquisitions and has previously sat on the Board of Directors of several publicly listed companies in the mining industry. He was formerly the Chairman and is presently a member of the Board of Directors of Westminster Savings Credit Union (the fourth largest credit union in British Columbia), Central One Credit Union and the Co-Operators Group. Mr. McGrath brings extensive experience pertaining to compensation matters through his experience as a senior partner with KPMG, including extensive audit and governance responsibilities, as well as his experience with publicly listed resource companies.

*Suraj Ahuja*

Mr. Ahuja is a professional geologist with over 40 years of business experience gained working in the uranium sector in increasingly senior roles. Mr. Ahuja brings extensive compensation and corporate governance knowledge resulting from his experience serving on the boards of several public companies, as well as through the day to day management of his own mineral exploration consulting company for over 15 years.

**SUMMARY COMPENSATION TABLE**

Particulars of compensation paid to:

- (a) the Corporation's chief executive officer ("CEO") and chief financial officer ("CFO"), or persons who acted in a similar capacities for any part of the most recently completed financial year;
- (b) each of the Corporation's three most highly compensated executive officers (or the three most highly compensated individuals acting in a similar capacity), other than the CEO and CFO at the end of the most recently completed financial year, whose total compensation was more than \$150,000 for that financial year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) except that the individual was not serving as an executive officer of the Corporation or its subsidiaries (nor acting in a similar capacity) of the Corporation at the end of the most recently completed financial year;

(each a "Named Executive Officer" or "NEO") is set out in the summary compensation table below. For the fiscal year ended December 31, 2016, the Corporation had two NEOs, being Roger Lemaitre (President and CEO) and Edward R. Boney (CFO and Corporate Secretary).

Name and principal position	Year	Salary	Share-based awards	Option-based awards <sup>(1)</sup>	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans <sup>(3)</sup>	Long-term incentive plans			
Roger Lemaitre CEO	2016	\$ 240,000	N/A	\$ 74,000	\$ 8,333	N/A	N/A	\$ 31,391 <sup>(4)</sup>	\$ 353,724
	2015	240,000	N/A	34,967	68,333	N/A	N/A	35,855 <sup>(4)</sup>	379,155
	2014	192,436 <sup>(2)</sup>	N/A	249,447	33,333	N/A	N/A	26,302 <sup>(4)</sup>	501,518
Edward R. Boney CFO	2016	\$ 210,000	N/A	\$ 56,923	\$ 6,667	N/A	N/A	<sup>(5)</sup>	\$ 273,590
	2015	210,000	N/A	31,470	31,677	N/A	N/A	<sup>(5)</sup>	273,137
	2014	190,000	N/A	32,135	26,667	N/A	N/A	<sup>(5)</sup>	248,802

- <sup>(1)</sup> Amount is based on the grant date fair value of the award for a financial year using the Black-Scholes option pricing model with the following weighted-average assumptions: Pre-vest forfeiture rate – 1.69% (2015 – 1.05% and 2014 – 0.43%); Volatility – 63.46% (2015 – 63.83% and 2014 – 66.86%); Risk-free interest rate – 0.59% (2015 – 0.89% and 2014 – 1.43%); Dividend yield – 0% (2015 – 0% and 2014 – 0%); and Expected life of options – 4.21 years (2015 – 4.29 and 2014 – 4.18 years). The Corporation uses the Black-Scholes option pricing model because it is one of the most commonly used and widely accepted methodologies for calculating the value of awards.
- <sup>(2)</sup> Roger Lemaitre joined the Corporation as President, CEO and Director effective January 1, 2014, with employment commencing on January 15, 2014 at an annual salary of \$200,000 per annum. No compensation amounts received by Mr. Lemaitre in 2014, 2015 or 2016 relate to his director role.
- <sup>(3)</sup> All annual incentive plan amounts were paid in cash in the year awarded, except for 2015 awards that were paid in early 2016.
- <sup>(4)</sup> These amounts consist of Mr. Lemaitre's expenses for travel-to-work in 2016, 2015 and 2014, respectively (\$8,921; \$13,207; \$10,480), lodging (\$17,389; \$18,600; \$12,273) and parking to the extent paid for by the Corporation to third parties in cash.
- <sup>(5)</sup> Perquisites (including property or other personal benefits provided to an NEO that are not generally available to all employees) did not exceed either \$50,000 or 10% of the NEO's total salary for the financial year.

## OUTSTANDING SHARE-BASED AND OPTION-BASED AWARDS

The following table summarizes all share-based and option-based awards to NEOs outstanding as at December 31, 2016:

Name	Option-based Awards					Share-based Awards		
	Number of securities underlying unexercised options	Number of unvested options <sup>(1)</sup>	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of unvested shares or units of shares	Market or payout value of unvested share-based awards	Market or payout value of vested share-based awards not paid out or distributed
Roger Lemaitre	1,000,000	-	\$0.410	January 15, 2019	\$ -	N/A	N/A	N/A
	200,000	-	\$0.305	November 10, 2019	-			
	250,000	83,333	\$0.280	June 8, 2020	-			
	650,000	433,333	\$0.230	June 8, 2021	9,750			
Edward R. Boney	300,000	-	\$0.360	November 28, 2018	\$ -	N/A	N/A	N/A
	200,000	-	\$0.305	November 10, 2019	-			
	225,000	75,000	\$0.280	June 8, 2020	-			
	600,000	-	\$1.120	April 19, 2021	-			
	500,000	333,333	\$0.230	June 8, 2021	7,500			
	32,000	-	\$0.990	June 21, 2021	-			
	250,000	-	\$0.600	June 5, 2022	-			

<sup>(1)</sup> Share-based options are not subject to specific vesting rules. However, the Corporation's current vesting policy for grants of options is as follows:  $\frac{1}{3}$  of the options vest upon grant with the remaining options vesting  $\frac{1}{3}$  on each of the following anniversary dates. For new NEOs,  $\frac{1}{3}$  of the options vest after the successful completion of a six-month probationary period with the remaining options vesting  $\frac{1}{3}$  on the next two anniversary dates from initial vesting.

## VALUE VESTED OR EARNED DURING THE YEAR

The following table summarizes the value vested or earned during the fiscal year ended December 31, 2016 on incentive plan awards for all 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
Roger Lemaitre	\$ -	N/A	N/A
Edward R. Boney	-	N/A	N/A

## PENSION PLAN BENEFITS

The Corporation does not have a pension plan or deferred compensation plan.

## NEO EMPLOYMENT AGREEMENTS AND TERMINATION AND CHANGE OF CONTROL BENEFITS

Except as disclosed below, there is no agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in a NEO's responsibilities, where the value of such payment, including periodic payments or installments, is equal to or exceeds \$50,000.

The Corporation has entered into an executive employment agreement with Roger Lemaitre under which Mr. Lemaitre acts as the President and Chief Executive Officer of the Corporation, effective January 1, 2015. Under the agreement,

Mr. Lemaitre is entitled to a base salary of \$240,000 per annum. This base salary is subject to annual review. In addition, Mr. Lemaitre is entitled to participate in any executive incentive bonus plans and is entitled to receive options at the discretion of the Board of Directors. Unless terminated for cause or upon the death of Mr. Lemaitre, the termination benefits described below are payable upon termination of the agreement by the Corporation.

In the event that within the twelve (12) month period immediately following a change of control (as defined below) Mr. Lemaitre's employment is terminated by the Corporation (including constructive dismissal) or the Corporation breaches any provision of the employment agreement, Mr. Lemaitre may elect to terminate the employment agreement and the Corporation will pay to him termination benefits consisting of the amount equal to two (2) times the annual base salary at that time and any bonus owing to Mr. Lemaitre immediately prior to such termination. In addition, all share options held by Mr. Lemaitre will immediately vest and be exercisable until the earlier of one year following the termination date and the normal expiry date of the options. All other employment benefits will continue for a period of two (2) years or, if it is not possible to continue such benefits, Mr. Lemaitre will be entitled to an amount sufficient to enable him to procure comparable benefits.

In the event that Mr. Lemaitre's employment is terminated by the Corporation for any reason other than as a result of a change of control, death or termination for cause, the Corporation will, in lieu of notice and other remuneration, compensation or benefits (including any severance pay or other termination pay) pay to Mr. Lemaitre an amount equal to twelve (12) months' base salary and any bonus owing to Mr. Lemaitre immediately prior to such termination. All other employee related benefits will continue for a period of one (1) year following such termination or, if not possible, the Corporation will pay Mr. Lemaitre an amount sufficient to enable Mr. Lemaitre to procure comparable benefits for a one (1) year period. Mr. Lemaitre may also terminate the employment agreement on three months written notice to the Board. On the giving of such notice by Mr. Lemaitre, or any time thereafter, the Corporation will have the right to elect to immediately terminate Mr. Lemaitre's employment, and upon such election, will provide to Mr. Lemaitre a lump sum payment equal to his base salary for the three (3) months or to such proportion of the three (3) months that remain outstanding at the time of such election. In addition, all benefits will continue to the end of such three (3) month period.

During the term of the employment agreement and provided that Mr. Lemaitre's employment was not terminated by the Corporation without just cause, for a twelve (12) month period thereafter, Mr. Lemaitre must not own or have any interest directly in, act as an officer, director, agent, employee or consultant of, or assist in any way or in any capacity, any person, firm, association, partnership, corporation or other entity that is engaged in exploration for uranium and/or the development or operation of uranium mining properties in Canada; however, Mr. Lemaitre will not be prohibited from making or holding a portfolio investment of not more than 2% of the outstanding securities of any class of a publicly traded corporation involved in the foregoing activities.

Effective January 1, 2015, the Corporation entered into an agreement with Edward Boney pursuant to which Mr. Boney will act as the Chief Financial Officer and Corporate Secretary of the Corporation. Under the agreement Mr. Boney is entitled to a base salary of \$210,000 per year. This base salary is subject to annual review. In addition, Mr. Boney is entitled to participate in any executive incentive bonus plans and is entitled to receive options at the discretion of the Board of Directors. In the event of a change of control of the Corporation, Mr. Boney will be entitled to termination benefits consisting of an amount equal to two (2) year's annual salary at that time. In addition, all share options held by Mr. Boney in the Corporation will become immediately vested.

In each of the agreements described in this section, a change of control is defined as one or more persons acquiring jointly or in concert, directly or indirectly, more than 50% of the voting securities of the Corporation, the amalgamation, merger or arrangement of the Corporation with or into another where the shareholders of the Corporation immediately prior to the transaction will hold less than 51% of the voting securities of the resulting entity or a sale of all or substantially all of the assets of the Corporation. Mr. Lemaitre's employment agreement also includes further terms which trigger a "Change of Control" as follows: a majority of the then-incumbent Board of Directors' nominees for election to the Board of Directors of the Corporation are not elected at any annual or special meeting of shareholders of the Corporation, there is a liquidation, dissolution or winding-up of the Corporation, or there is a merger, amalgamation, consolidation or reorganization into or with any body corporate or other legal person (including a body corporate or other legal person) and, as a result of such business combination, more than 40% of the voting shares of such person immediately after such transaction are beneficially held in the aggregate by a person (or persons acting jointly or in concert) and such person beneficially held less than 40% of the voting shares of the Corporation immediately prior to such transaction.

Assuming each of the current NEOs' employment agreements had been terminated on December 31, 2016 as a result of a Change of Control of the Corporation or by an event that would trigger incremental payments by the Corporation, the following amounts would be payable to the NEOs:

NEO and Type of Triggering Event	# of Months	Salary	Bonus	Options <sup>(1)</sup>	Estimated Value of Benefits	Estimated Value of Termination Benefits
<b>Roger Lemaitre</b>						
Change of Control	24	\$ 480,000	N/A	\$ 32,216	\$ 12,000	\$ 524,216
Termination (other than by three months' notice, death, cause or a Change of Control)	12	\$ 240,000	N/A	\$ -	\$ 6,000	\$ 246,000
<b>Edward R. Boney</b>						
Change of Control	24	\$ 420,000	N/A	\$ 25,141	N/A	\$ 445,141

<sup>(1)</sup> Amount is based on the grant date fair value of any unvested options as at December 31, 2016, using the Black-Scholes option pricing model with the following weighted average assumptions: Pre-vest forfeiture rate – 1.38%; Volatility – 63.66%; Risk-free interest rate – 0.74%; Dividend yield – 0%; and Expected life of options – 4.30 years.

## DIRECTOR COMPENSATION

The following table sets forth the compensation provided to the directors of the Corporation (other than a director who is an NEO) for their services during the fiscal year ended December 31, 2016:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Suraj P. Ahuja	\$ 30,000	N/A	\$ 45,538	N/A	N/A	\$ nil	\$ 75,538
Mark P. Eaton	30,000	N/A	45,538	N/A	N/A	nil	75,538
Colin C. Macdonald <sup>(2)</sup>	30,000	N/A	68,308	N/A	N/A	nil	98,308
Emmet McGrath	30,000	N/A	45,538	N/A	N/A	nil	75,538
Graham C. Thody	30,000	N/A	45,538	N/A	N/A	nil	75,538

<sup>(1)</sup> Amount is based on the grant date fair value of the award for a financial year using the Black-Scholes option pricing model with the following weighted-average assumptions: Pre-vest forfeiture rate – 1.05%; Volatility – 63.83%; Risk-free interest rate – 0.89%; Dividend yield – 0%; and Expected life of options – 4.29 years.

<sup>(2)</sup> Mr. Macdonald retired as a director of the corporation on December 31, 2016. Mr. Macdonald's seat on the Board was filled by Ms. Catherine Stretch, effective January 1, 2017.

The independent directors of the Corporation received \$2,500 per month compensation in their capacity as directors in 2016, as well as incentive share options to best align their interests with those of the Corporation's shareholders. The methodology for determining the remuneration of the Board is similar to that used for the remuneration of the NEOs. Levels of remuneration of directors are usually first informally discussed among the members of the Compensation Committee and the CEO before formally being considered by the Board. The Corporation pays reasonable expenses incurred by the Board.

The following table summarizes all share and option-based awards to directors of the Corporation (other than a director who is an NEO) that were outstanding as at December 31, 2016:

Name	Option-based Awards					Share-based Awards		
	Number of securities underlying unexercised options	Number of unvested options <sup>(1)</sup>	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of unvested shares or units of shares	Market or payout value of unvested share-based awards	Market or payout value of vested share-based awards not paid out or distributed
Suraj P. Ahuja	315,000	-	\$1.200	September 17, 2018	\$ -	N/A	N/A	N/A
	225,000	-	\$0.360	November 28, 2018	-			
	750,000	-	\$1.450	May 21, 2019	-			
	175,000	-	\$0.305	November 10, 2019	-			
	175,000	58,333	\$0.280	June 8, 2020	-			
	225,000	-	\$0.870	June 14, 2020	-			
	400,000	266,667	\$0.230	June 8, 2021	6,000			
	125,000	-	\$0.990	June 21, 2021	-			
	200,000	-	\$0.600	June 5, 2022	-			
Mark P. Eaton	600,000	-	\$1.200	September 17, 2018	\$ -	N/A	N/A	N/A
	225,000	-	\$0.360	November 28, 2018	-			
	750,000	-	\$1.450	May 21, 2019	-			
	175,000	-	\$0.305	November 10, 2019	-			
	175,000	58,333	\$0.280	June 8, 2020	-			
	225,000	-	\$0.870	June 14, 2020	-			
	400,000	266,667	\$0.230	June 8, 2021	6,000			
	125,000	-	\$0.990	June 21, 2021	-			
	200,000	-	\$0.600	June 5, 2022	-			
Colin C. Macdonald	225,000	-	\$0.360	November 28, 2018	\$ -	N/A	N/A	N/A
	200,000	-	\$0.305	November 10, 2019	-			
	200,000	66,667	\$0.280	June 8, 2020	-			
	600,000	400,000	\$0.230	June 8, 2021	9,000			
	950,000	-	\$0.990	June 21, 2021	-			
	200,000	-	\$0.600	June 5, 2022	-			
Emmet McGrath	225,000	-	\$0.360	November 28, 2018	\$ -	N/A	N/A	N/A
	175,000	-	\$0.305	November 10, 2019	-			
	400,000	-	\$1.000	December 15, 2019	-			
	175,000	58,333	\$0.280	June 8, 2020	-			
	225,000	-	\$0.870	June 14, 2020	-			
	400,000	266,667	\$0.230	June 8, 2021	6,000			
	125,000	-	\$0.990	June 21, 2021	-			
	200,000	-	\$0.600	June 5, 2022	-			

Name	Option-based Awards					Share-based Awards		
	Number of securities underlying unexercised options	Number of unvested options <sup>(1)</sup>	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of unvested shares or units of shares	Market or payout value of unvested share-based awards	Market or payout value of vested share-based awards not paid out or distributed
Graham C. Thody	315,000	-	\$1.200	September 17, 2018	\$ -	N/A	N/A	N/A
	225,000	-	\$0.360	November 28, 2018	-			
	500,000	-	\$1.450	May 21, 2019	-			
	1,000,000	-	\$1.340	September 20, 2019	-			
	175,000	-	\$0.305	November 10, 2019	-			
	175,000	58,333	\$0.280	June 8, 2020	-			
	450,000	-	\$0.870	June 14, 2020	-			
	400,000	266,667	\$0.230	June 8, 2021	6,000			
	250,000	-	\$0.990	June 21, 2021	-			
	450,000	-	\$0.600	June 5, 2022	-			

<sup>(1)</sup> Share-based options are not subject to specific vesting rules; however, the Corporation's current vesting policy for grants of options is as follows: 1/3 of the options vest upon grant with the remaining options vesting 1/3 on each of the anniversary dates.

The following table summarizes the value vested or earned during the fiscal year ended December 31, 2016 on incentive plan awards for all directors of the Corporation (other than a director who is an NEO):

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 (\$)
Suraj P. Ahuja	-	N/A	N/A
Mark P. Eaton	-	N/A	N/A
Colin C. Macdonald	-	N/A	N/A
Emmet McGrath	-	N/A	N/A
Graham C. Thody	-	N/A	N/A

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### EQUITY COMPENSATION PLAN INFORMATION

The Corporation has the Option Plan to allow the Corporation to grant incentive share options to its directors, officers, employees and consultants of the Corporation or its subsidiaries and affiliates. Pursuant to TSX policies, the Option Plan, as a rolling 10% plan, is required to be approved by shareholders every three years and was most recently approved on June 6, 2014 without any revisions from the previously approved plan. The Option Plan to be submitted to the shareholders for re-approval at the Meeting does not contain any changes from the option plan that was most recently approved by shareholders on June 6, 2014.

The following table sets forth as at the year ended December 31, 2016 the number of securities authorized for issuance under the Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	20,904,000	\$ 0.68	8,749,888
Equity compensation plans not approved by security holders	nil	\$ nil	nil
Total	20,904,000	N/A	8,749,888

The following is a brief description of the material provisions of the Option Plan:

**Eligible participants under the Option Plan:** Persons eligible to participate under the Option Plan are directors, officers, key employees and others providing services (except for investor relations activities) to the Corporation or any of its subsidiaries.

**The maximum percentage of common shares that any one person is entitled to receive under the Option Plan:** The number of common shares reserved for issuance to any one person pursuant to options granted under the Option Plan (together with those common shares which may be issued pursuant to any other share compensation arrangement of the Corporation) shall not exceed 5% of the issued and outstanding common shares.

**The maximum percentage of common shares that insiders are entitled to receive under the Option Plan:**

The number of common shares which may be issuable to all insiders of the Corporation pursuant to options granted under the Option Plan (together with those common shares which may be issuable pursuant to any other share compensation arrangement of the Corporation) shall not exceed 10% of the issued and outstanding common shares on a non-diluted basis from time to time. The number of common shares which may be issued to all insiders of the Corporation pursuant to options granted under the Option Plan (together with those common shares which may be issued pursuant to any other share compensation arrangement of the Corporation) shall not exceed 10% of the issued and outstanding common shares on a non-diluted basis within a one-year period. The number of common shares which may be issued pursuant to options granted under the Option Plan (together with those common shares which may be issued pursuant to any other share compensation arrangement of the Corporation) to any one insider, or such insider's associate, within a one-year period shall not exceed 5% of the issued and outstanding common shares on a non-diluted basis from time to time.

As at the date hereof, there are 20,204,000 options issued and outstanding under the Option Plan representing 6.33% of the Corporation's current issued and outstanding common shares.

**The method of determining the exercise price for common shares under the Option Plan:** The exercise price of an option will be determined by the Board of Directors when the option is granted and shall not be less than the closing market price of the common shares on the TSX on the date prior to the grant of the option, or, if the common shares do not trade on the day prior to such grant, shall not be less than the average of the closing bid and ask price as reported by the TSX on such date.

**Vesting of options:** Options shall vest as the Board determines, in its discretion.

**Term of options:** Options shall expire on the expiration date determined by the Board, and must be exercised, if at all, on or before the expiration date. In no event shall the expiration date be more than ten years after the date of grant provided that such period will be automatically extended for ten business days if the expiration date falls during or within two (2) business days of a blackout period. Any shares not purchased prior to the expiration of an option granted under the Option Plan may thereafter be reallocated in accordance with the Option Plan.

**Transferability:** Options granted under the Option Plan are non-transferable and non-assignable other than by will or the laws of descent and distribution.

**Effect of termination of employment or death:** If an optionee dies while employed by the Corporation, any option held by him at the date of death will become exercisable by the person(s) to whom the optionee's rights under the options shall pass by the optionee's will or the laws of descent and distribution. All such options are exercisable for the period of time expiring on the earlier of: (i) the regular expiration of the option period in respect thereof, and (ii) six (6) months, or such other period as the Board of Directors determined at the date of the grant of the option, after the date of death.

If an optionee ceases to be an eligible participant under the Option Plan for any reason whatsoever (including if the optionee ceases to be employed by the Corporation or ceases to hold office as a director), any options granted to such optionee will terminate and be of no further force or effect on the earlier of: (i) the regular expiration of the option period in respect thereof, and (ii) thirty (30) days, or such other period as the Board of Directors shall have determined at the date of grant of the option, after the date the optionee ceases to be an eligible participant under the Option Plan.

**Amendment of the Option Plan:** Subject to the rules of the TSX, the Board of Directors may at any time, without further action by shareholders, amend the Option Plan or any option granted thereunder in such respect as it may consider advisable:

- (a) for the purposes of making formal minor or technical modifications to any of the provisions of the Option Plan,
- (b) to correct any ambiguity, defective provision, error or omission in the provisions of the Option Plan,
- (c) to change the vesting provisions of options,

- (d) to change the termination provisions of options or the Option Plan which does not entail an extension beyond the original expiry date of the options,
- (e) to add a cashless exercise feature to the Option Plan, providing for the payment in cash or securities on exercise of options and which provides for a full deduction of the number of shares from the Option Plan reserve in such case, and
- (f) to add or change provisions relating to any form of financial assistance provided by the Corporation to eligible participants that would facilitate the purchase of shares under the Option Plan;

provided, however, that:

- (g) no such amendment of the Option Plan may be made without the consent of each affected optionee if such amendment would adversely affect the rights of such affected optionee under the Option Plan; and
- (h) shareholder approval shall be obtained in accordance with the requirements of the TSX for any amendment that results in
  - (i) an increase in the percentage or the number of shares issuable under options granted pursuant to the Option Plan;
  - (ii) a reduction in the exercise price of an option granted to an insider (other than pursuant to a change of control);
  - (iii) the cancellation and reissue of any options;
  - (iv) an extension of the term of an option granted under the Option Plan benefiting an insider; or
  - (v) options becoming transferable or assignable other than for estate settlement purposes.

## **MANAGEMENT CONTRACTS**

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There are no contracts with third parties for the provision of management services to the Corporation.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

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No director or executive officer, past, present or nominated, or any person on behalf of whom this solicitation is made or any associate or affiliate of such persons, has any 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 disclosed herein or to the extent that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE CORPORATION**

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As at the date hereof, no director or executive officer of the Corporation, no proposed nominee for election as a director of the Corporation, no associate of any such director, executive officer or proposed nominee (including companies controlled by them), no employee of the Corporation, and no former executive officer, director or employee of the Corporation, is indebted to the Corporation (other than for “routine indebtedness” as defined under applicable securities legislation) or is indebted to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

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## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

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Except as otherwise disclosed herein or as previously disclosed in an information circular of the Corporation, no informed person (i.e. insider) of the Corporation, no proposed director of the Corporation, and no associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since January 1, 2016 or in any proposed transaction which has materially affected or would materially affect the Corporation.

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## **DIRECTORS AND OFFICERS INSURANCE**

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The Corporation subscribes to a Directors and Officers Liability and Corporate Reimbursement Insurance Policy to a limit of \$10,000,000 per claim, and per annual policy period, at a premium of \$29,000 per policy period. The policy insures the Corporation against any wrongful act committed by its Directors and Officers, including any actual or alleged defamation, breach of duty, neglect, error, misstatement, misrepresentation, omission or other act done or attempted by the Directors and Officers of the Corporation in their capacity to act for the Corporation.

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## **CORPORATE GOVERNANCE DISCLOSURE**

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### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Board of Directors and senior management of the Corporation consider good corporate governance to be central to the effective operation of the Corporation. As part of the Corporation's commitment to effective corporate governance, the Board of Directors, with the assistance of the Corporate Governance Committee, monitors changes in legal requirements and best practices.

Reference is made to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**” or the “**Guidelines**”).

The Corporation has reviewed its own corporate governance practices in light of the Guidelines. The Board of Directors has approved a set of corporate governance policies and procedures, including a mandate for the Board of Directors, charter documents for the various committees of the Board of Directors and a Code of Corporate Ethics and Conduct. Set out below is a description of certain corporate governance practices of the Corporation, as required by NI 58-101.

### **MANDATE OF THE BOARD OF DIRECTORS**

The primary responsibility of the Board is to foster the long-term success of the Corporation, consistent with the objective of enhancing shareholder value. The Board's mandate is to set long-term goals and objectives for the Corporation, to formulate the plans and strategies necessary to achieve those objectives and to supervise the Corporation's senior Management in their implementation. Although the Board has delegated to senior management personnel the responsibility for managing the day to day affairs of the Corporation, the Board retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Corporation and its business.

The Board of Directors is responsible for reviewing the overall governance principles of the Corporation, recommending any changes to these principles and monitoring their disclosure. The Board annually reviews and, where appropriate, adjusts the statement of corporate governance practices included in the Corporation's Management proxy circular.

The current Chair of the Board is Graham Thody, a non-independent director of the Corporation. The Chair is responsible for ensuring that the Board functions effectively, efficiently and harmoniously. The Chair is responsible for ensuring good relationships between the Board, management, shareholders and other stakeholders. The Chair's primary responsibility is to manage the Board of Directors and meetings of the Board.

The Lead Director of the Board is Suraj Ahuja. With respect to the governance of the Corporation, the Lead Director, appointed by the Board, is an independent director who is designated to aid and assist the Chair and the remainder of the Board in assuring effective corporate governance in managing the affairs of the Board and the Corporation and to enhance and protect the independence of the Board.

A copy of the Mandate of the Board of Directors is attached to this Information Circular as Appendix “A”.

## COMPOSITION OF THE BOARD OF DIRECTORS

NP 58-201 recommends that the Board of Directors of a reporting issuer be composed of a majority of independent directors. Suraj Ahuja (Lead Director), Mark Eaton, Emmet McGrath and Catherine Stretch, comprising a majority of the Board, are “independent” within the meaning of the Guidelines. Roger Lemaitre is not considered independent under the Guidelines as he is presently President and Chief Executive Officer of the Corporation. Graham Thody is not considered independent under the Guidelines as he was in a consulting role with the Corporation until December 31, 2015. If all of the persons named as nominees of Management are elected at the Meeting, then the majority of the directors on the Board will continue to be independent for the ensuing year.

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board of Directors to function independently of Management. Pursuant to the Mandate of the Board of Directors, the Board of Directors may hold meetings at which members of Management are not in attendance. During the financial year ended December 31, 2016, six formal meetings as part of regularly scheduled board meetings of the independent directors were held without Management present. Members of the Board of Directors and Board committees also held various meetings on an informal basis in the absence of Management.

From January 1, 2016 to the date hereof, the Board of Directors and its committees held the following number of meetings:

Board of Directors .....	18
Audit Committee .....	6
Corporate Governance Committee .....	1
Nominations Committee.....	3
Compensation Committee .....	2
<b>Total number of meetings held .....</b>	<b>30</b>

The attendance of the directors at such meetings was as follows:

<i>Name</i>	<i>Board</i>	<i>Audit Committee</i>	<i>Corporate Governance</i>	<i>Nominations Committee</i>	<i>Compensation Committee</i>
<i>Suraj P. Ahuja</i>	17 of 18	6 of 6	1 of 1	3 of 3	2 of 2
<i>Mark P. Eaton</i>	16 of 18	N/A	1 of 1	2 of 3	2 of 2
<i>Roger Lemaitre</i>	18 of 18	N/A	N/A	N/A	N/A
<i>Colin C. Macdonald</i> <sup>(1)</sup>	15 of 17	5 of 5	1 of 1	3 of 3	N/A
<i>Emmet McGrath</i>	11 of 18	6 of 6	N/A	N/A	1 of 2
<i>Catherine Stretch</i> <sup>(1)</sup>	2 of 2	1 of 1	0 of 0	0 of 0	N/A
<i>Graham C. Thody</i>	16 of 18	N/A	N/A	N/A	N/A

<sup>(1)</sup> Colin Macdonald retired from the Board on December 31, 2016 and was replaced by Catherine Stretch effective January 1, 2017. Meeting attendance presented reflects those meetings which occurred during each of these director’s respective tenures.

Currently, the following directors serve on the following boards of directors of other reporting issuers:

<b>Director</b>	<b>Reporting Issuer Board Membership</b>	<b>Exchange</b>
Suraj Ahuja	Nevada Sunrise Gold Corp.	TSX-V
Mark P. Eaton	Arena Minerals Belo Sun Mining Corp. K92 Mining	TSX-V TSX TSX-V
Catherine Stretch	AnalytixInsight Inc. Emerita Resources Corp	TSX-V TSX-V
Graham C. Thody	Geologix Explorations Inc. Goldsources Mines Inc. SilverCrest Metals Inc.	TSX-V TSX-V TSX-V

## POSITION DESCRIPTIONS

Management is authorized to act, without Board approval, on all ordinary course matters relating to the Corporation's business. The Board has formally defined the following corporate objectives for senior management:

- to plan and execute the exploration and evaluation work required to delineate and develop economic uranium resources at Christie Lake, as part of our project earn-in;
- to find new uranium deposits at the Hidden Bay Project and in the Western Athabasca Projects with our joint-venture partner AREVA;
- to continue the exploration and evaluation work required to delineate and develop economic uranium resources at Shea Creek;
- to advance the evaluation/development process at the Horseshoe, Raven and West Bear uranium deposits at the Hidden Bay Project to a production decision once uranium commodity prices have demonstrated a sustained recovery from current spot and long-term prices; and
- to maintain, explore and advance to discovery its other uranium projects.

The Board expects Management to efficiently implement its strategic plans for the Corporation, to keep the Board fully apprised of its progress in doing so, and to be fully accountable to the Board in respect of all matters for which it has been assigned responsibility.

The Board has directed senior management to respond to inquiries from shareholders and to advise the Board of any major concerns expressed by shareholders.

The Corporation has developed written position descriptions for the Chair of the Board and the chair of each committee of the Board of Directors.

The Board and CEO have not developed a written position description for the CEO. The Board delineates the roles and responsibilities of the CEO in accordance with the corporate goals and objectives that the CEO is responsible for meeting from time to time, as discussed in the Corporation's management's discussion and analysis.

## ORIENTATION AND EDUCATION

The Corporation provides new directors with an orientation program upon joining the Corporation, which may consist of meetings with members of Management to consider matters such as: the nature of the business and corporate structure of the Corporation; its strategic plans; operations and capital expenditure programs; financial planning strategies and the Corporation's policies and procedures, including the Corporation's By-Laws, Mandate of the Board of Directors and other procedures and policies of the Board of Directors, and the Code of Corporate Ethics and Behaviour. New directors are also briefed on potential liabilities arising from their role as a director of the Corporation.

As a part of the continuing education of the directors, presentations are made at Board of Director meetings by Management and/or consultants on new developments, including updates on exploration programs and results. As well, directors are provided with the opportunity to meet with corporate officers and managers to discuss and better understand the business and from time to time visit the Corporation's material properties.

Board members are encouraged to communicate with Management and auditors, to keep themselves current with industry trends and development, and to attend related industry seminars. Board members have full access to the Corporation's records.

## ETHICAL BUSINESS CONDUCT

The Corporation has adopted a written Code of Corporate Ethics and Behaviour (the “Code”), which prescribes the minimum standards of conduct governing all directors, officers and employees in the performance of their duties. It is mandatory that the provisions of the Code be followed. Each director, officer and employee is required to execute a certification that they have read, understand and agree to comply with the Code.

A copy of the Code may be obtained from the Corporation and is also available under the Corporation’s profile on SEDAR at <http://www.sedar.com>. The Board of Directors has the responsibility to approve and monitor compliance with the Code. Any waivers from the Code for the benefit of the Corporation’s directors or officers may only be granted by the Board of Directors or, if delegated by the Board of Directors, a committee of the Board of Directors. The Corporation has not filed any material change report since the beginning of its most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

Pursuant to the Code, no officer or employee may have any business conduct which conflicts with the Corporation’s interests. Each officer or employee who becomes aware of an actual, potential or apparent conflict of interest must report such conflicts to the Chair of the Board of Directors. Directors must conduct their business and affairs in a manner that ensures their private or personal interests do not interfere or appear to interfere, with the interests of the Corporation, including conflicts relating to personal, financial or other gain. Should conflicts arise, or be perceived to arise, directors shall immediately make full disclosure to the Chair of the Board of Directors and shall not participate in any decision or action where there is a real or apparent conflict.

All rulings and interpretations made under the Code will be in accordance with the spirit and intent of the Code.

## NOMINATIONS COMMITTEE

The Nominations Committee is currently comprised of three directors: Catherine Stretch (Chair - independent), Mark Eaton (independent), Suraj Ahuja (independent). The mandate of the Nominations Committee is to identify qualified individuals to become directors, to recommend director nominees for appointment to the next annual general meeting and to assess the effectiveness of the Board, committees of the Board and individual directors. The Board generally reconsiders the composition of the Nominations Committee annually following the Corporation’s annual general meeting.

Prior to each annual general meeting, the Nominations Committee meets to consider the current composition of the Board of Directors and considers whether it is appropriate or desirable to add a member or change the composition. If a new director is proposed to be added to the Board, the decision is made by the committee as a whole, based on the recommendation of one or more committee members, and a recommendation is made to the Board.

In making its recommendations, the Nominations Committee considers the following:

- (a) the competencies and skills that the Board of Directors considers necessary for the Board, as a whole, to possess;
- (b) the competencies and skills that the Board of Directors considers each existing director to possess;
- (c) the competencies and skills each new nominee will bring to the boardroom; and
- (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a board member.

The Company does not have an established term limit or retirement policy for its directors and believes that the annual assessment process that occurs provides for an effective basis for board renewal and as a result have determined that set term limits are therefore unnecessary. Furthermore, the Governance Committee recognizes that considerable Company and industry-specific knowledge is gained over a consistent tenure with the Board and therefore seeks to retain this unique experience and skillset of its Board members unless circumstances require otherwise.

## MAJORITY VOTING POLICY

The Board has adopted a Majority Voting Policy stipulating that in an uncontested election of directors, if the number of Common Shares “withheld” for any nominee exceeds the number of Common Shares voted “for” the nominee, then, notwithstanding that such director was duly elected as a matter of corporate law, the director shall tender a written resignation to the chair of the Board. The Nominations Committee will consider such offer of resignation and will make a recommendation to the Board concerning the acceptance or rejection of the resignation after considering, among other things, the stated reasons, if any, why certain shareholders “withheld” votes for the director, the qualifications of the director and whether the director’s resignation from the Board would be in the best interests of the Corporation. The Board must take formal action on the Nominations Committee’s recommendation within 90 days of the date of the applicable shareholders meeting and announce its decision by press release. Further to TSX rules, the Board must accept such director’s resignation absent exceptional circumstances.

## COMPENSATION COMMITTEE

The Compensation Committee is currently comprised of three directors: Mark Eaton (Chair – independent), Emmet McGrath (independent) and Suraj Ahuja (independent). The mandate of the Compensation Committee is to determine compensation for, and monitor the performance of senior officers and directors of the Corporation. The Board generally reconsiders the composition of the Compensation Committee annually following the Corporation’s annual general meeting.

The Compensation Committee, in consultation with the Chief Executive Officer and others as required:

- (a) develops for recommendation to the Board of Directors, and review at least annually, a general compensation approach for employees;
- (b) reviews and recommends to the Board of Directors for consideration, approval, and establishment by the Board of Directors, employee benefits plans and guidelines with respect to those plans;
- (c) within any guidelines established by the Board of Directors, oversees all administrative requirements with regard to the Corporation’s Option Plan and, subject to confirmation by the Board of Directors, approves the granting of share options of the Corporation and reviews and recommends any amendments to the Option Plan which the Compensation Committee considers necessary;
- (d) within any guidelines established by the Board of Directors, administers the incentive compensation plans for Executive Management of the Corporation, designates key employees as Executive Management for the purposes of receiving incentive compensation, and annually reviews and recommends any amendments to the incentive compensation plan which the Compensation Committee considers necessary;
- (e) examines, at least annually, the roles of Executive Management and recommends to the Board of Directors the establishment of new positions or roles or other changes within Executive Management when to do so would be beneficial to the Corporation; and
- (f) reviews as required, the Corporation’s succession plans for Executive Management, including specific development plans and career planning for potential successors, and recommends them to the Board of Directors.

The Board of Directors from time to time reviews outstanding share options and considers whether it is desirable to issue further options to employees, directors and consultants.

## **ASSESSMENT OF THE BOARD**

The Guidelines recommend that the Board implement a process for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. The Board of Directors has established an annual review process which has four components: an evaluation of the effectiveness of the Board of Directors as a whole; an evaluation of the performance of each individual Director; an evaluation of the Chair of the Board of Directors; and an evaluation of the effectiveness of each of the Committees of the Board of Directors. This review process shall relate directly to the description of the duties and responsibilities of the Board of Directors and to the mandates of its committees.

## **AUDIT COMMITTEE**

The Audit Committee oversees the Corporation's financial reporting obligations, systems and disclosure and acts as a liaison between the Board of Directors and the Corporation's auditors. It is comprised of three independent directors, Emmet McGrath (Chair), Suraj Ahuja and Catherine Stretch. Activities of the Audit Committee typically include reviewing quarterly and annual financial statements, ensuring that internal controls over accounting and financial systems are maintained and that accurate financial information is disseminated to shareholders, reviewing the results of internal and external audits and any change in accounting procedures or policies and evaluating the performance of the Corporation's auditors.

Information about the Corporation's Audit Committee is provided in the Corporation's most recent Annual Information Form (the "AIF"), including the Audit Committee Charter. The AIF may be obtained from the Corporation's public disclosure documents found on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) or by contacting the Corporation's Corporate Secretary at Suite 1700 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8, Telephone: (604) 669-2349.

## **CORPORATE GOVERNANCE COMMITTEE**

The Corporate Governance Committee is the Corporation's only other standing committee and is currently comprised of three independent directors, Suraj Ahuja (Chair), Mark Eaton and Catherine Stretch. The mandate of the Corporate Governance Committee is, among other things, to monitor external corporate governance requirements and to ensure corporate compliance with such requirements and to annually make disclosure of the Corporation's system of corporate governance. The Board generally reconsiders the composition of the Corporate Governance Committee annually following the Corporation's annual general meeting.

## **GENDER DIVERSITY**

UEX's Board has long believed that diversity of backgrounds, experience, education, race and gender is important for good decision making and effective oversight. Although the Company has not adopted a specific policy (or target number) related to the identification and nomination of women directors or executive officers, our employees, executive officers and directors have been and will continued to be recruited and promoted or selected based on their abilities and contributions. Our Board includes one female member (since January 1, 2017), and there has been female representation on the Board previously, with UEX continuing to consider women director candidates who possess the requisite skills and experience for future nomination. Our senior management team includes one female senior officer, currently representing one-third of the senior management team.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

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Management of the Corporation is not aware of any matters to come before the meeting other than those set forth in the Notice of Meeting. If other matters properly come before the Meeting, it is the intention of the persons named in the accompanying form of proxy to vote the shares represented thereby in accordance with his or her best judgment on such matters.

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**SHAREHOLDER PROPOSALS**

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January 30, 2018 is the final date by which the Corporation must receive any proposals for any matter that a person entitled to vote at an annual general meeting of the Corporation proposes to raise at the next annual general meeting of the Corporation subject to the requirements of the *Canada Business Corporations Act*.

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**ADDITIONAL INFORMATION**

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Financial information is provided in the Corporation's comparative financial statements and related Management's Discussion and Analysis for its year ended December 31, 2016. Copies of the above and other disclosure documents relating to the Corporation may be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) or by contacting the Corporation's Corporate Secretary at Suite 1700 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T8, Telephone: (604) 669-2349.

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**DIRECTORS' APPROVAL**

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The contents and sending of this Information Circular to the shareholders and other persons entitled thereto have been approved by the Board of Directors of the Company.

DATED as of May 1, 2017.

BY ORDER OF THE BOARD

*“Roger Lemaitre”*

ROGER LEMAITRE

President and Chief Executive Officer

**APPENDIX “A”**  
**UEX CORPORATION**  
**MANDATE OF THE BOARD OF DIRECTORS**

**1. AUTHORITY AND PURPOSE**

- (a) The Board of Directors of the Corporation (the “**Board**”) is empowered by the *Canada Business Corporations Act* (the “**CBCA**”), and the Corporation’s articles and by-laws to manage, or supervise the management of, the business and affairs of the Corporation.
- (b) The primary responsibility of the Board is to foster the long-term success of the Corporation, consistent with the objective of enhancing shareholder value.

**2. STRUCTURE**

- (a) In accordance with the articles of the Corporation and applicable securities laws, the Board shall consist of a minimum of 3 and a maximum of 10 Directors. The Board annually examines its size to determine the impact of the number of Directors upon the effectiveness of the Board.
- (b) It is the policy of the Corporation that at least a majority of the members of the Board shall be “independent”, as defined in applicable securities laws, instruments and policies.
- (c) Acting upon the advice of the Nominating Committee, the Board has the responsibility to nominate or appoint individuals as Directors. In addition to the eligibility requirements for Directors set out in the by-laws of the Corporation (the “**By-Laws**”) and the CBCA, the Board: (i) considers the essential and desired skills and competencies of the Board as a whole and assesses the competencies and skills currently represented on the Board by the existing Directors; and (ii) based on that assessment, considers the experience, skills, personality and other relevant characteristics that prospective nominees should possess.
- (d) The Board recognizes the need to familiarize newly-elected Directors with the role and responsibilities of the Board as a whole and its Committees as well as their individual roles, responsibilities, legal obligations and expected commitment of time and energy as Directors. New Directors are provided with an overview of the Corporation, normally by way of an orientation, which may consist of meetings with members of management to consider matters such as: the nature of the business and corporate structure of the Corporation; its strategic plans; operations and capital expenditure programs; financial planning strategies and the Corporation’s policies and procedures, including the By-Laws, this Board Mandate and other Board procedures and policies, and the Code of Corporate Ethics and Behaviour. New Directors are also briefed on potential liabilities arising from their role as a Director of the Corporation.
- (e) As a part of the continuing education of the Directors, presentations are made at Board meetings by management and/or consultants on new developments, including updates on exploration programs and results. As well, Directors are provided with the opportunity to meet with corporate officers and managers to discuss and better understand the business and from time to time visit the Corporation’s properties.
- (f) The Board shall establish an annual Board review process which has four components: an evaluation of the effectiveness of the Board as a whole; an evaluation of the performance of each individual Director; an evaluation of the Chair of the Board; and an evaluation of the effectiveness of each of the Committees of the Board. This review process shall relate directly to the description of the duties and responsibilities of the Board and to the mandates of its Committees.
- (g) The Board shall hold regularly scheduled meetings at which members of management are not in attendance.
- (h) **Committees**
  - (i) The Board shall operate with the following four standing committees (the “**Committees**”):
    - Audit Committee
    - Corporate Governance Committee
    - Compensation Committee
    - Nominating Committee

The Board may, from time to time, establish additional committees of the Board at its discretion.

- (ii) The Board has adopted a charter for each of its Committees, which contains a clear position description of the chair of such Committee. Each charter shall be reviewed at least annually by the Committees and may, based on recommendation from the applicable Committee, be amended by the Board as considered appropriate. Each Committee shall consist of three or more members and shall be composed entirely of Directors who are “independent” as defined in applicable securities laws, instruments and policies. The Chief Executive Officer (“CEO”) shall participate in meetings of Committees by invitation.
- (iii) To facilitate communication between the Board and its Committees, each Committee shall report annually to the Board regarding the performance of the Committee, by reviewing the performance of the Committee against its charter.
- (iv) Committee members shall be appointed for one-year terms and may serve for any number of consecutive terms. In appointing members to a Committee, the Board shall seek to ensure some continuity of membership on the Committee. Members of the Committees, including the Chair, can be removed from the Committee during the term of the member at the discretion of the Board.

(i) **Chair of the Board**

- (i) The Chair shall be appointed by the Board for a one-year term and may serve any number of consecutive terms. The Chair of the Board is a non-executive officer position and shall be filled by a Director who is “independent” as defined in applicable securities laws, instruments and policies. Where the Chair of the Board is not an independent director and upon recommendations from both the Nominations Committee and the Corporate Governance Committee, the Board will appoint from among the independent directors, a Lead Director to serve until the next meeting of shareholders where directors are elected, unless otherwise removed by resolution of the Board of Directors. The positions of Chair of the Board and CEO shall be separate.
- (ii) The Chair is the presiding Board member. The Chair is responsible for ensuring that the Board functions effectively, efficiently and harmoniously. The Chair is responsible for ensuring good relationships between the Board, management, shareholders and other stakeholders.
- (iii) The Chair’s primary responsibility is to manage the Board of Directors and meetings of the Board. In addition, the Chair shall:
  - (A) in consultation with management, and subject to input from other Directors, establish the agenda for the meetings of the Board and direct that properly prepared agenda materials are circulated to Directors in sufficient time for study prior to the meeting;
  - (B) ensure that the Board has full oversight of the Corporation’s business and affairs, and that the Board is aware of its obligations to the Corporation, shareholders, management and other stakeholders and under the law;
  - (C) provide leadership to the Board and arrange for it to review and monitor the aims, strategy, policy and directions of the Corporation and the achievement of its objectives;
  - (D) chair all Board meetings, including sessions without management, and all shareholder meetings;
  - (E) attend Committee meetings where appropriate or otherwise at the request of the Committee chair; and
  - (F) ensure that Board meetings are conducted in an efficient, effective and focused manner.

(j) **Lead Director**

The Lead Director, is an independent director (appointed by the Board), who is designated to aid and assist the Chair and the remainder of the Board in assuring effective corporate governance in managing the affairs of the Board and the Corporation, as well as to enhance and protect the independence of the Board. The Lead Director has the authority to call meetings of the independent directors of the Board if necessary.

### 3. **RESPONSIBILITIES AND EXPECTATIONS**

- (a) The Board operates by delegating some of its authority, including certain spending authorizations, to management and by reserving other powers to itself. Subject to the CBCA, the By-Laws and the Articles of the Corporation, the Board retains the responsibility for, among other matters, (i) authorizing significant transactions, including the issuance of securities of the Corporation or the assumption of corporate debt and (ii) managing its own affairs, including planning its composition, selecting its Chair, nominating candidates for election of the Board, appointing Committees and Committee chairs and determining Director compensation.
- (b) A Director's responsibility is that of a fiduciary and individually and collectively is founded in legal imperatives. In its fiduciary capacity, the Board is responsible for the stewardship of the Corporation and as such, is accountable for the success of the Corporation by taking responsibility for management.
- (c) Directors are expected to attend regularly scheduled meetings of the Board and of the shareholders and to have prepared for the meetings by reviewing, in advance of each meeting, the materials delivered in connection with the meeting and by seeking clarification or additional information, where required. The attendance record of individual Directors at meetings of the Board will be disclosed in the Corporation's management proxy circular, as required by applicable law. Directors are expected to vote on all matters requiring a decision of the Board or its Committees, except where a conflict of interests exists.

#### (d) **Selection of Management**

The Board has the responsibility for:

- (i) acting upon the recommendation of the Compensation Committee, the appointment and replacement of the CEO for monitoring CEO performance, approving CEO compensation and providing advice and counsel to the CEO in the execution of the CEO's duties;
- (ii) in consultation with the CEO and the Compensation Committee, the Board has the responsibility for approving the appointment and remuneration of executive management;
- (iii) acting upon the recommendation of the Compensation Committee, approving the Corporation's succession plans for management, including the appointment, training and monitoring of management; and
- (iv) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

#### (e) **Strategy Determination**

The Board has the responsibility to:

- (i) review with management the mission of the business and its financial and other objectives and goals;
- (ii) adopt a strategic planning process and approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business; and
- (iii) act through its Chair as a sounding board for the CEO on transactions worth pursuing, issues during negotiations, preliminary pricing and management recommendations.

#### (f) **Monitoring and Acting**

The Board has the responsibility:

- (i) to monitor the Corporation's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
- (ii) with the assistance of the Audit Committee, to monitor the implementation and integrity of the Corporation's internal control and management information systems;
- (iii) for the identification of the principal risks of the Corporation's business and taking all reasonable steps to ensure the implementation of appropriate systems to manage these risks;
- (iv) for directing management to ensure appropriate disclosure controls and procedures are in place to enable information to be recorded, processed, summarized and reported within the time periods required by law; and

- (v) to review proposed acquisitions and divestitures, oversee the due diligence process and approve any payment of dividends and new financings.

(g) **Corporate Governance**

The Board has the responsibility to:

- (i) ensure that the Corporation has the appropriate structures and policies in place to allow the Board to effectively discharge its duties;
- (ii) approve and monitor compliance with all significant policies and procedures by which the Corporation is operated;
- (iii) approve and monitor compliance with the Corporation's Code of Corporate Ethics and Behaviour applicable to all directors, officers, and employees of the Corporation. Any waivers from the Code of Corporate Ethics and Behaviour for the benefit of the Corporation's directors or officers may only be granted by the Board or, if delegated by the Board, a Board committee; and
- (iv) acting upon the advice of the Corporate Governance Committee, review, on a periodic basis, corporate governance issues of the Corporation.

(h) **Compliance and Corporate Communications**

The Board has the responsibility to:

- (i) with the assistance of the Audit Committee, direct and oversee the adequate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;
- (ii) with the assistance of the Audit Committee, to review and approve the financial results of the Corporation and to ensure that they are reported fairly and in accordance with generally accepted accounting principles;
- (iii) direct and oversee the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;
- (iv) report annually to shareholders on its stewardship for the preceding year;
- (v) attempt to ensure the fullest communications with the shareholders and to approve all proposals to be submitted to the shareholders, including nomination of Directors; and
- (vi) oversee that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.

**4. ACCESS TO INFORMATION AND PERSONNEL**

In its discharge of the foregoing duties and responsibilities, the Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to officers of the Corporation and to the relevant books, records and systems of the Corporation as considered appropriate.

**5. INDEPENDENT ADVICE**

The Board shall have the authority to engage and terminate such independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and to set and cause to be paid by the Corporation the compensation of any such counsel or advisors.

**6. BOARD REVIEW OF MANDATE**

With the assistance of the Corporate Governance Committee, the Board shall periodically review the adequacy of the Board's mandate and, as necessary, revise this mandate annually.

**APPENDIX ‘B’**  
**UEX CORPORATION**  
(the “**Corporation**”)

Adopted by Shareholders Resolution dated  
January 15, 2002 and Amended and Approved by Shareholders  
on June 30, 2005, June 26, 2007, June 25, 2008, June 21, 2011, June 6, 2014

INCENTIVE STOCK OPTION PLAN

The purpose of the Plan is to secure for the Corporation and its shareholders the benefit of incentives inherent in share ownership by key employees of the Corporation who, in the judgment of the board of directors of the Corporation (the “**Board of Directors**”), will be largely responsible for its future growth and success. It is generally recognized that stock option plans aid in retaining and encouraging employees of exceptional ability because of the opportunity offered them to acquire a proprietary interest in the Corporation.

1. SHARES SUBJECT TO INCENTIVE STOCK OPTION PLAN (the “**Plan**”)

1.1

- (a) The Board of Directors may, from time to time, in its discretion grant to key employees, directors, officers and others providing services to the Corporation or any of its subsidiaries (collectively called “**Eligible Persons**”), subject to the restrictions set forth in this Plan, stock options (each, an “**Option**”) to purchase common shares without par value in the capital of the Corporation (“**Shares**”) with such number of Shares being subject to adjustment under Section 7 hereof. No Option shall be granted to any person except upon recommendation of the Board of Directors.
- (b) The number of Shares which may be reserved for issuance pursuant to this Plan to all Eligible Persons shall not exceed in the aggregate, a number of Shares equal to 10% of the issued and outstanding Shares of the Corporation from time to time. The number of Shares reserved for issuance pursuant to this Plan (together with those Shares which may be issued pursuant to any other share compensation arrangement of the Corporation) to any one Eligible Person shall not exceed 5% of the Shares outstanding from time to time.
- (c) The number of Shares which may be issuable pursuant to this Plan (together with those Shares which may be issuable pursuant to any other share compensation arrangement of the Corporation) to all Insiders shall not exceed 10% of the Shares outstanding on a non-diluted basis from time to time. For the purposes of this Plan, “**Insiders**” shall mean an Eligible Person who is an “insider” of the Corporation as defined in the *Securities Act* (Ontario) and the rules and regulations thereunder, and the policies of the Toronto Stock Exchange, as may be amended from time to time, other than a person who falls within that definition solely by virtue of being a director or officer of an affiliate of the Corporation.
- (d) The number of Shares which may be issued pursuant to this Plan (together with those Shares which may be issued pursuant to any other share compensation arrangement of the Corporation) to all Insiders within a one year period shall not exceed 10% of the Shares outstanding on a non-diluted basis from time to time. The number of Shares which may be issued pursuant to this Plan (together with those Shares which may be issued pursuant to any other share compensation arrangement of the Corporation) to any one Insider, or such Insider’s associate, within a one-year period shall not exceed 5% of the Shares outstanding on a non-diluted basis from time to time.

2. PURCHASE PRICE

- 2.1 The purchase price of any Shares in respect of which an Option may be granted under the Plan shall be fixed by the Board of Directors but shall not be less than the fair market value of the Shares at the time the Option is granted. “**Fair market value**” means the closing price of the Shares of the Corporation on The Toronto

Stock Exchange if the Shares are then listed for trading thereon (and if not so listed, on any stock exchange on which the Shares may then be listed) on the last trading day before the day on which the Option is granted. If no Shares have been traded on such day, the fair market value shall be the average of the closing bid and ask as reported by the Toronto Stock Exchange or such other applicable exchange on such date.

### 3. OPTION TERM

3.1 The Shares subject to each Option shall become purchasable at such time or times as may be determined by the Board of Directors. Each Option shall not be exercisable after the expiration of ten (10) years from the date granted, except as the same may be reduced with respect to any such Option as provided in Section 5 hereof, and may expire on such earlier date or dates as may be fixed by the Board of Directors and specified in the Stock Option Certificate (as defined below) (the “**Expiry Date**”). Notwithstanding the foregoing, in circumstances where the Expiry Date set for an Option granted by the Board of Directors falls within, or within two business days after the end of, a “blackout” or similar period imposed under any insider trading policy or similar policy of the Corporation (but not, for greater certainty, a restrictive period resulting from the Corporation or its Insiders being the subject of a cease trade order of a securities regulator authority), then the Expiry Date shall be the 10<sup>th</sup> business day after the end of the applicable “blackout” or similar period.

3.2 At the close of business on the Expiry Date, the Option shall expire and terminate and be of no further force or effect whatsoever as to such of the Shares in respect of which the Option has not been exercised. Any Shares not purchased prior to the expiration of an Option granted hereunder may thereafter be reallocated in accordance with the provisions of the Plan.

### 4. NON-TRANSFERABLE

4.1 Any Option granted under the Plan shall be non-transferable and non-assignable by the person to whom it was granted (each, an “**Optionee**”) other than by will or the laws of descent and distribution and shall be exercisable, during that Optionee’s lifetime, only by such Optionee.

### 5. EFFECT OF TERMINATION OF EMPLOYMENT OR DEATH

5.1 If an Optionee dies while employed by the Corporation, any Option held by him at the date of death shall become exercisable in whole or in part by the person(s) to whom the Optionee’s rights under the Options shall pass by the Optionee’s will or the laws of descent and distribution. All such Options shall be exercisable for the period of time expiring on the earlier of: (i) the regular expiration of the option period in respect thereof, and (ii) six (6) months, or such other period as the Board of Directors shall have determined at the date of the grant of the Option, after the date of death.

5.2 If an Optionee ceases to be an Eligible Person, in any case for any reason whatsoever (including, without limitation, if the Optionee ceases to be employed by the Corporation or ceases to hold office as a director), any Options or the unexercised portion thereof granted to such Optionee shall terminate and be of no further force or effect on the earlier of: (i) the regular expiration of the option period in respect thereof, and (ii) thirty (30) days, or such other period as the Board of Directors shall have determined at the date of grant of the Option, after the date the Optionee ceases to be an Eligible Person.

### 6. NO RIGHTS AS SHAREHOLDER

6.1 The Optionee shall have no rights whatsoever as a shareholder in respect of any Shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of Shares in respect of which the Optionee has validly exercised the Option and which the Optionee shall have actually taken up and paid for in full.

### 7. ADJUSTMENT TO SHARES

7.1 In the event of any subdivision, redivision or change of the Shares of the Corporation at any time prior to the Expiry Date into a greater number of Shares, the Corporation shall deliver, at the time of any exercise

thereafter of the Option, such additional number of Shares as would have resulted from the subdivision, redivision or change if the Option had been exercised prior to the date of the subdivision, redivision or change.

- 7.2 In the event of any consolidation or change of the Shares of the Corporation at any time prior to the Expiry Date into a lesser number of Shares, the number of Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Shares as would have resulted from the consolidation or change if the Option had been exercised prior to the date of the consolidation or change.
- 7.3 In the event the Corporation is reorganized, amalgamated or merged with or consolidated into another company or in the event there is a Change of Control (as defined below), the Board of Directors may make such provisions as it deems appropriate for the exercise of outstanding Options or continuance of outstanding Options to prevent any increase or decrease in the number of Shares deliverable upon their exercise.
- 7.4 Notwithstanding Sections 7.2 and 7.3 hereof, in the event of a Change of Control, each Option currently outstanding that is not fully vested on the date on which the Change of Control occurs shall vest immediately and any and all Options shall be immediately exercisable up to, but not after, the date which is the earlier of the Expiry Date and 90 days after the date of such Change of Control.

For the purposes of this Stock Option Plan, “**Change of Control**” means:

- (a) the acquisition whether directly or indirectly, by a person or company, or any persons or companies acting jointly or in concert (as determined in accordance with the *Securities Act* (Ontario) and the rules and regulations thereunder, as may be amended from time to time) of voting securities of the Corporation which, together with any other voting securities of the Corporation held by such person or company or persons or companies, constitute, in the aggregate, more than 50% of all outstanding voting securities of the Corporation;
- (b) an amalgamation, arrangement or other form of business combination of the Corporation with another company which results in the holders of voting securities of that other company holding, in the aggregate, 50% or more of all outstanding voting securities of the Corporation (including a merged or successor company) resulting from the business combination; or
- (c) the sale, lease or exchange of all or substantially all of the property of the Corporation to another person, other than a subsidiary of the Corporation or other than in the ordinary course of business of the Corporation.

## 8. EFFECT OF TAKEOVER BID

- 8.1 If a bona fide offer (the “**Offer**”) is made to an Optionee or to shareholders generally or to a class of shareholders which includes an Optionee for Shares of the Corporation, which Offer, if accepted in whole or in part, would result in the offeror exercising control over the Corporation within the meaning of subsection 1(3) of the *Securities Act* (Ontario), as amended from time to time, then the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee currently holding an Option of the Offer, with full particulars thereof; whereupon such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise pursuant to the Offer. If the Offer is not completed within the time specified therein, at the Option of the Optionee, the Shares may be returned by the Optionee to the Corporation and reinstated as authorized but unissued Shares and the terms of the Options as set forth in the Plan shall again apply to the Option.

## 9. OPTION CERTIFICATE

- 9.1 Any Option granted hereunder and pursuant to the provisions of the Plan will be evidenced by a stock option certificate substantially in the form appended hereto as Exhibit A (a “**Stock Option Certificate**”).

## 10. AMENDMENT OF THE PLAN

10.1 Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including any exchange with which the Shares of the Corporation are listed for trading), the Board of Directors may at any time, without further action by shareholders, amend the Plan or any Option granted hereunder in such respect as it may consider advisable:

- (a) for the purposes of making formal minor or technical modifications to any of the provisions of the Plan,
- (b) to correct any ambiguity, defective provision, error or omission in the provisions of the Plan,
- (c) to change the vesting provisions of Options,
- (d) to change the termination provisions of Options or the Plan which does not entail an extension beyond the original expiry date of the Options,
- (e) to add a cashless exercise feature to the Plan, providing for the payment in cash or securities on exercise of Options and which provides for a full deduction of the number of Shares from the Plan reserve in such case, and
- (f) to add or change provisions relating to any form of financial assistance provided by the Corporation to Eligible Persons that would facilitate the purchase of Shares under the Plan;

provided, however, that:

- (g) no such amendment of the Plan may be made without the consent of each affected Optionee if such amendment would adversely affect the rights of such affected Optionee under the Plan; and
- (h) shareholder approval shall be obtained in accordance with the requirements of the Toronto Stock Exchange for any amendment that results in
  - (i) an increase in the percentage or the number of Shares issuable under Options granted pursuant to the Plan;
  - (ii) a reduction in the exercise price of an Option granted to an Insider (other than pursuant to Section 7 hereof);
  - (iii) the cancellation and reissue of any Options;
  - (iv) an extension of the term of an Option granted under the Plan benefiting an Insider; or
  - (v) Options becoming transferable or assignable other than for estate settlement purposes as described in Section 4.1 hereof.

For greater certainty it is acknowledged that if the Shares are listed for trading on The Toronto Stock Exchange, any amendment to the Plan or any amendment to any Option granted under the Plan requires the prior approval of The Toronto Stock Exchange.

## 11. TERMINATION OF THE PLAN

11.1 The Plan may be abandoned or terminated in whole or in part at any time by the Board of Directors, except with respect to any Options then outstanding under the Plan.

## 12. ADMINISTRATION OF THE PLAN

12.1 Within the foregoing limitations, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. All decisions and interpretations made by the Board of Directors shall be binding and conclusive on the Corporation and on all persons eligible to participate in the Plan. No member of the Board of Directors shall be liable for any action

taken or for any determination made in good faith in the administration, interpretation, construction or application of the Plan.

13. TAX WITHHOLDING

- 13.1 The Corporation may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as it reasonably believes is necessary to enable the Corporation to comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to Options (“**Withholding Obligations**”). The Corporation may also satisfy any liability for any such Withholding Obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such Withholding Obligations including, without limitation, requiring the Optionee to remit to the Corporation in advance, or reimburse the Corporation for, any such Withholding Obligations; or (b) selling on the Optionee’s behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

14. EFFECTIVE DATE AND NECESSARY APPROVALS

- 14.1 The obligations of the Corporation to sell and deliver Shares on the exercise of the Options is subject to the approval of any securities authorities or stock exchanges on which the Shares of the Corporation are listed for trading which may be required in connection with the authorization, issuance or sale of such Shares by the Corporation.
- 14.2 Subject to the provisions of this Plan, an Option granted under this plan shall be exercisable (from time to time as provided in Section 3 hereof) by the Optionee (or his personal representatives or legatees) giving notice in writing to the Corporation at its head office in Vancouver, British Columbia, addressed to its Secretary, which notice shall specify the number of Common Shares in respect of which the Option is being exercised and shall be accompanied by full payment, by cash or certified cheque made payable to the Corporation, of the exercise price for the number of Shares specified in the notice, including any amounts payable with respect to any Withholding Obligations.
- 14.3 Upon such exercise of the Option, the Corporation shall forthwith cause the transfer agent and registrar of the Common Shares of the Corporation to deliver to the Optionee (or his personal representatives or legatees) a certificate in the name of the Optionee representing in the aggregate such number of Shares as the Optionee (or his personal representatives or legatees) shall have then paid for and as are specified in such written notice of exercise of Option within ten (10) days following receipt of the notice by the Corporation.
- 14.4 Nothing herein contained or done pursuant hereto shall obligate the Optionee to purchase and pay for any Shares except those Shares in respect of which the Optionee has exercised the Option in the manner herein provided.

**EXHIBIT A**

**UEX Corporation  
Stock Option Certificate**

The Corporation hereby grants to the optionee named below, the following options to acquire common shares (“**Shares**”) of the Corporation on the terms and conditions of the Corporation’s Stock Option Plan (the “**Plan**”) and on the terms outlined below:

Optionee’s Name:
Address:
Total Shares:
Exercise Price Per Share:
Date of Grant:
Expiry Date:
Terms of Vesting:
Other:

The optionee agrees that he/she may suffer tax consequences as a result of the grant of these options, the exercise of the options and the disposition of Shares. The optionee acknowledges that he/she is not relying on the Corporation for any tax advice.

This Stock Option Certificate is subject to the terms and conditions of the Plan and, in the event of any inconsistency or contradiction between the terms of the Stock Option Certificate and the Plan, the terms of the Plan shall govern.

If you agree to accept the options described above, subject to all of the terms and conditions of the Plan, please sign one copy of this letter and return it to \_\_\_\_\_ by \_\_\_\_\_.

**UEX CORPORATION**

By: \_\_\_\_\_  
Authorized Signatory

I have received a copy of the Plan and agree to comply with, and agree that my participation is subject in all respects to, its terms and conditions.

\_\_\_\_\_  
Print Name of Optionee

\_\_\_\_\_  
Signature of Optionee

\_\_\_\_\_  
Date