LABRADOR IRON ORE
ROYALTY CORPORATION

NOTICE OF ANNUAL MEETING OF HOLDERS OF COMMON SHARES

to be held on Thursday, May 16, 2019

and

MANAGEMENT INFORMATION CIRCULAR

April 17, 2019

LABRADOR IRON ORE ROYALTY CORPORATION

NOTICE OF MEETING

Notice is hereby given that an annual meeting (the "**Meeting**") of the holders of common shares of Labrador Iron Ore Royalty Corporation ("**LIORC**") will be held on Thursday, May 16, 2019 at 11:00 a.m. (Toronto time) at Toronto Region Board of Trade, 77 Adelaide Street West, First Canadian Place, Third Floor, Toronto, Ontario, Canada. The Meeting will be held for the following purposes:

(a) to receive reports and audited financial statements;

(b) to elect Directors for the coming year; and

(c) to appoint auditors for the coming year and authorize the Board of Directors to fix their remuneration.

A holder of common shares who is unable to attend the Meeting in person should complete and submit the enclosed form of proxy for use at the Meeting. In order to be valid and acted upon at the Meeting or any adjournment thereof, proxies must be received by Computershare Investor Services Inc. at 100 University Avenue, Toronto, Ontario, M5J 2Y1 by 5:00 p.m. (Toronto time) on May 15, 2019. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

If you are a non-registered holder of common shares and received these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form, as the case may be, provided to you in accordance with the instructions provided by your broker or intermediary. Failure to do so may result in your common shares not being eligible to be voted at the Meeting.

If you have any questions about how to vote your shares please contact Kingsdale Advisors, LIORC's strategic shareholder advisor and proxy solicitation agent, by toll-free call in North America at 1-866-851-3212 or collect call outside North America at 1-416-867-2272 or by email to contactus@kingsdaleadvisors.com.

On behalf of the Board of Directors,

John F. Tuer
President and Chief Executive Officer

James C. McCartney
Executive Vice President

April 17, 2019

If you have any questions or need assistance completing your form of proxy or voting instruction form, please call Kingsdale Advisors toll-free within North America at 1-866-851-3212 or outside North America at 1-416-867-2272 (collect call) or by email at contactus@kingsdaleadvisors.com.

LABRADOR IRON ORE ROYALTY CORPORATION

MANAGEMENT INFORMATION CIRCULAR

This management information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by management of Labrador Iron Ore Royalty Corporation ("**LIORC**") for use at the annual meeting (the "**Meeting**") of holders of common shares to be held at Toronto Region Board of Trade, 77 Adelaide Street West, First Canadian Place, Third Floor, Toronto, Ontario, Canada on Thursday, May 16, 2019 commencing at 11:00 a.m. (Toronto time) for the purposes set forth in the notice of meeting (the "**Notice**") accompanying this Information Circular.

Solicitation of Proxies

Information contained herein is given as of April 17, 2019. The costs incurred in the solicitation of proxies and in the preparation of mailing of this Information Circular will be borne by LIORC. Solicitation of proxies by the management of LIORC and by employees of the Administrator (as defined herein) will be through the mail, in person and/or by telephone. LIORC has also engaged Kingsdale Advisors ("**Kingsdale**") as strategic shareholder advisor and proxy solicitation agent for a fee of $47,250. If you have any questions about how to vote your shares, please contact Kingsdale by toll-free call in North America at 1-866-851-3212 or collect call outside North America at 1-416-867-2272 or by email at contactus@kingsdaleadvisors.com.

Appointment and Revocation of Proxies

A form of proxy accompanies the Notice and this Information Circular. The persons named in such form of proxy are directors and officers of LIORC. A person or corporation submitting a proxy shall have the right to appoint a person (who need not be a holder of common shares of LIORC) to be a representative at the Meeting, other than the persons designated in the form of proxy furnished by LIORC. Such appointment may be exercised by crossing out the persons named in the enclosed form of proxy and inserting the name of the appointed representative in the blank space on the form of proxy. A proxy will not be valid unless it is completed and submitted for use at the Meeting. In order to be valid and acted upon at the Meeting or any adjournment thereof, proxies must be received by Computershare Investor Services Inc. no later than 5:00 p.m. (Toronto time) on May 15, 2019. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion, without notice.

A holder of common shares of LIORC who has given a proxy may revoke it by depositing an instrument in writing executed by such holder (or by an attorney duly authorized in writing) or, if such holder is a corporation, by any officer or attorney thereof duly authorized, either at the registered office of LIORC at any time up to and including the close of business on the last business day preceding the Meeting or any adjournment thereof, or with the Chair of the Meeting on the day thereof or any adjournment thereof.

Exercise of Discretion by Proxies

The persons named in the enclosed form of proxy will, if the instructions are certain, vote the common shares of LIORC represented thereby and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the common shares of LIORC will be voted in accordance with the specification. In the event that a proxy is returned without voting instructions, the common shares of LIORC represented thereby will be voted in favour of the resolutions described in the Notice. If a person or corporation appoints a representative other than the persons designated in the form of proxy, LIORC assumes no responsibility as to whether the representative so appointed will attend the Meeting to vote the common shares of LIORC in accordance with the instructions of, or otherwise act on behalf of, the person or corporation appointing the representative. If you appoint a non-management proxyholder please ensure they attend the Meeting for your vote to count.

If you have any questions or need assistance completing your form of proxy or voting instruction form, please call Kingsdale Advisors toll-free within North America at 1-866-851-3212 or outside North America at 1-416-867-2272 (collect call) or by email at contactus@kingsdaleadvisors.com.

The enclosed form of proxy confers discretionary authority on the persons with respect to amendments or variations of matters identified in the Notice. At the time of printing this Information Circular, the directors of LIORC (the "**Directors**") are not aware of any such amendments or variations.

Information for Registered and Non-Registered Holders

Only holders of common shares of LIORC whose names are set out in the applicable registers maintained by LIORC's transfer agent ("**Registered Holders**") or the persons they appoint as their proxies are permitted to vote at the Meeting. CDS & Co. is a Registered Holder that acts as a clearing agent for intermediaries (each, an "**Intermediary**") such as, among others, banks, trust companies, securities dealers or brokers and trustees, administrators or managers of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans and similar plans. In accordance with the requirements of National Instrument 54-101, LIORC has caused the Notice, this Information Circular and the accompanying form of proxy (collectively, the "**Meeting Materials**") to be distributed to CDS & Co. and the Intermediaries for onward distribution to non-registered holders of common shares of LIORC ("**Non-Registered Holders**").

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will be given either:

(i) a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the numbers of common shares of LIORC beneficially owned by the Non-Registered Holder but which is otherwise not completed; this form of proxy need not be signed by the Non-Registered Holder; in this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and send or deliver it to Computershare Investor Services Inc. as set out in the Notice; or

(ii) a voting instruction form, which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form and returned to the Intermediary or its service company.

Voting Instructions for Registered Holders

A ***Registered Holder*** may submit a proxy by:

Internet: Enter the 15 digit control number at www.investorvote.com.

Telephone: Enter the 15 digit control number at 1-866-732-8683 (Canada and the U.S. only) or 1-312-588-4290 (outside Canada and the U.S.).

Mail or delivery:

Computershare Investor Services Inc.
Attention: Proxy Department
8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1.

Voting Instructions for Non-Registered Holders

Canadian Non-Registered Holders may vote by:

Internet: Enter the 16 digit control number at www.proxyvote.com.

Telephone: Enter the 16 digit control number at 1-800-474-7493.

If you have any questions or need assistance completing your form of proxy or voting instruction form, please call Kingsdale Advisors toll-free within North America at 1-866-851-3212 or outside North America at 1-416-867-2272 (collect call) or by email at contactus@kingsdaleadvisors.com.

U.S. Non-Registered Holders may vote by:

Internet: Enter the 16 digit control number at www.proxyvote.com.

Telephone: Enter the 16 digit control number at 1-800-454-8683.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares of LIORC that they beneficially own at the Meeting. Should a Non-Registered Holder who receives either a form of proxy or a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons designated in the form of proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form.

Additionally, LIORC may use the Broadridge QuickVote™ service to assist non-registered shareholders with voting their shares. Non-registered shareholders may be contacted by Kingsdale Advisors to conveniently obtain a vote directly over the telephone. Broadridge then tabulates the results of all instructions received and provides the appropriate instructions respecting the voting shares to be represented at the Meeting.

Common shares of LIORC held by Intermediaries can only be voted at the Meeting upon the instructions of the Non-Registered Holders. Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or voting instruction form is to be delivered.

Quorum

The presence, in person or by proxy, of at least two holders of common shares of LIORC holding or representing at least 25% of the number of common shares outstanding on the date of the Meeting is required to constitute a quorum at the Meeting. If a quorum is not present at the Meeting, the Meeting will be adjourned to such day being not less than 14 days after the date of the Meeting, as may be specified by the Chair of the Meeting. If at such adjourned meeting a quorum is not present, the holders of common shares present in person or by proxy will form a quorum.

Voting Securities and Principal Holders

Common Shares

Holders of common shares of LIORC of record at the close of business on April 9, 2019 are entitled to notice of and to attend the Meeting in person or by proxy and are entitled to one vote per share held on all matters to be considered at the Meeting. There are 64 million common shares outstanding.

Principal Holders

To the best of the knowledge of the Directors, no person beneficially owns, directly or indirectly, or exercises control or direction over, common shares of LIORC carrying more than 10% of the voting rights attached to the outstanding common shares of LIORC which may be voted at the Meeting.

BUSINESS OF THE MEETING

Financial Statements

The financial statements of LIORC for the years ended December 31, 2018 and December 31, 2017 together with the auditors' report thereon, contained in the 2018 Annual Report mailed to the holders of common shares with this Information Circular, will be presented to the holders of common shares at the Meeting.

Election of Directors

Resolutions to elect William J. Corcoran, Mark J. Fuller, Duncan N.R. Jackman, William H. McNeil, Sandra L. Rosch, John F. Tuer and Patricia M. Volker as Directors will be presented to the holders of common shares at the Meeting. The term of office for each Director is from the date of the meeting at which he or she is elected until the next annual meeting or until a successor is elected or appointed. It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies for the election of the nominees as Directors. Management does not contemplate that any of the nominees will be unable to serve as a Director but should that circumstance arise for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion.

LIORC wishes to provide comments on the updates to the Institutional Shareholder Services ("**ISS**") benchmark voting policy for 2019.

LIORC is a passive holder of interests in Iron Ore Company of Canada ("**IOC**"). LIORC has no other investments and the income received is largely paid out in dividends to its shareholders. LIORC has no operating employees. Following the Meeting, it is expected that the LIORC board will consist of seven directors, four of whom are independent and two of whom are women. The current directors all have excellent attendance records. LIORC does have very experienced directors on the board at present, but under ISS changes that came into effect in 2019, one very experienced independent director, Duncan N. R. Jackman, would be considered to be overboarded.

Mr. Jackman is Chair, President and CEO of E-L Financial Corporation Limited ("**E-L**"), an investment and insurance holding company. Three of Mr. Jackman's directorships are at companies related to E-L Financial where there is a high degree of overlap of responsibilities and duplication of information. Two of his directorships are closed end investment companies that invest in common equities and retain outside portfolio management companies. Given the nature of his executive duties at the holding company E-L which has less than 15 employees, the fact that two of the companies are investment companies and the overlap of responsibilities as a director in the subsidiary companies, Mr. Jackman has not been precluded from dedicating the time necessary to fulfill his responsibilities as a director of LIORC.

LIORC considers that director attendance is an objective and appropriate measure of whether a director is overboarded. We recommended that ISS keep the attendance criterion as it was prior to 2019. The change to this criterion unfairly penalized small capitalization issuers. LIORC and its shareholders benefit from retaining a director with CEO experience and extensive public company board experience. We do not consider that the ISS change in overboarding criteria is in the best interests of LIORC's shareholders.

The name, province and country of residence, office held, principal occupation, date of appointment and number of common shares owned, or over which control or direction is exercised, with respect to each of such nominees are as follows:

Name and Residence	Office(s) Held	Principal Occupation	Director Since	Number of Common Shares
William J. Corcoran(1)(2)(3) . . . . . Ontario, Canada	Director	Company director	1995	20,000
Mark J. Fuller(1)(2)(3)(4) . . . . Ontario, Canada	Director	President and CEO of Ontario Pension Board, the administrator of the Ontario Public Service Pension Plan	2014	5,000
Duncan N.R. Jackman(1)(2)(3) . . . Ontario, Canada	Director	Chair, President and CEO of E-L Financial Corporation Limited, an investment and insurance holding company	2010	5,000
William H. McNeil(4) . . . . Ontario, Canada	Director	Company director	2015	5,000
Sandra L. Rosch . . . . Ontario, Canada	Executive Vice-President and Director	Executive Vice President of LIORC	2014	5,000
John F. Tuer . . . . Ontario, Canada	President and CEO and Director	President and CEO of LIORC	2017	10,000
Patricia M. Volker(1)(2)(3) . . . . . . Ontario, Canada	Director	Company director	2014	5,000

Notes:

(1) Member of Audit Committee.

(2) Member of Compensation Committee.

(3) Member of Nominating Committee.

(4) Following the Meeting, it is anticipated that Mr. McNeil will assume the role of Chair of the Board and Mr. Fuller will assume the role of Lead Director.

As at December 31, 2018, directors and officers of LIORC collectively beneficially owned, directly or indirectly, or exercised control and direction over an aggregate of 54,000 common shares, representing approximately 0.1% of the outstanding common shares. On March 3, 2016, the Board of Directors adopted a policy that requires each Director, including the CEO, to acquire and hold at least 5,000 common shares of LIORC prior to the later of March 3, 2020 and the fourth anniversary of the date the Director is elected and all of the Directors are in compliance with this policy. The value of each Director's holding, including the CEO's, is the market value. The directors of LIORC are also directors and officers of Hollinger-Hanna Limited. Messrs. Tuer and McNeil serve as directors of IOC.

LIORC does not have an executive committee. LIORC has an ad hoc Strategy Committee and the members are James C. McCartney, William H. McNeil, John F. Tuer (Chair) and Patricia M. Volker. The Strategy Committee has a broad mandate to advise the board of directors on strategic matters.

Also see LIORC's annual information form for the year ended December 31, 2018 for information about the Audit Committee, including a copy of its charter and information about independence, financial literacy, relevant education and experience of Audit Committee members.

Director Biographies

William J. Corcoran — Mr. Corcoran was Vice Chair of Jarislowsky Fraser Limited, a registered investment counseling firm, from 2001 to 2015. He was Vice Chair of the Ontario Pension Board from 1991 to 2001 and prior to that was a Managing Director of Scotia McLeod, an investment banking firm. He received a BA and a LL.B. from the University of Toronto.

Mark J. Fuller — Mr. Fuller is President and Chief Executive Officer of Ontario Pension Board, the administrator of the Ontario Public Service Pension Plan. He joined the Ontario Pension Board in 1999. He received a LL.B. from the University of Western Ontario and is called to the bar in Ontario.

Duncan N. R. Jackman — Mr. Jackman is Chair, President and Chief Executive Officer of E-L Financial Corporation Limited, an investment and insurance holding company. He has been a director of E-L Financial Corporation Limited since 1997. He holds a BA from McGill University.

William H. McNeil — Mr. McNeil served as President and CEO of LIORC from September 1, 2016 to March 7, 2019. He was a Managing Director and Senior Mining Engineer of The Bank of Nova Scotia from 1995 to 2016. Mr. McNeil holds a MBA from the University of Western Ontario and a B.Sc. from Queen's University.

Sandra L. Rosch — Ms. Rosch is an Executive Vice President of LIORC. She also served as President of Stonecrest Capital Inc., an independent Canadian restructuring firm, until December, 2018. She has over 30 years' experience in financial restructuring, mergers and acquisitions and financing transactions. She was an investment banker with Scotia Capital Inc. from 1994 to 2001. She received a MBA from the University of Western Ontario and a B. Comm. from McMaster University.

John F. Tuer — Mr. Tuer was appointed President and CEO of LIORC on March 7, 2019. He was Managing Director & Head, Mergers and Acquisitions, Scotiabank, until February 23, 2017. He has over 25 years' experience in the mergers and acquisitions advisory business. He received a B. Comm. Hons. from Queen's University and a LL.B. from the University of Toronto.

Patricia M. Volker — Ms. Volker retired as Director, Public Accounting, Chartered Professional Accountants of Ontario on December 31, 2015. She served in various capacities in the accounting profession since 1997. Ms. Volker is a CPA, CA, CMA and holds a B.Sc. from the University of Toronto.

Nomination of Directors

The Nominating Committee reviews annually the composition of the Board of Directors and its committees, including the current strengths, skills and experiences of the Board. It also reviews the performance and attendance record of the incumbent Directors and the gender balance. The objective is to ensure the composition of the Board and its committees provides the appropriate mix of skills and experience to guide the strategy of LIORC. The Nominating Committee identifies any gaps in composition and seeks to fill those gaps. Qualities such as integrity, good character and high regard in his or her professional field will always be basic criteria for Directors.

Experience Matrix

LIORC maintains a skills matrix and the Directors indicate their experience in each area. The matrix below illustrates the Board's mix of experience in five categories that are important to LIORC.

Experience Description	No. of Directors with significant experience
CEO/Senior Officer — experience working as a CEO or senior officer for a major organization	7
Governance/Board — experience as a board member of a major or public company organization	7
Mining — experience working in the mining industry	3
Strategy — experience driving strategic direction and leading growth of an organization	7
Financial/Risk — experience in financial accounting and reporting, corporate finance, internal controls and risk management	7

Appointment of Auditors

A resolution to appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of LIORC will be presented to holders of common shares at the Meeting. The persons named in the enclosed form of proxy, if not expressly directed to the contrary, will vote the common shares of LIORC represented by proxy for the appointment of PricewaterhouseCoopers LLP, as auditors of LIORC until the next annual meeting of holders of common shares at remuneration to be fixed by the Directors. PricewaterhouseCoopers LLP was first appointed on October 6, 2015.

EXECUTIVE COMPENSATION

Compensation Philosophy and Objectives

LIORC's executive officer compensation program is designed to:

- provide motivation and incentives to executive officers with a view to increasing alignment with LIORC shareholders and enhancing shareholder value;
- attract and retain key executive officers;
- recognize the scope and level of responsibility of each position; and
- reward superior performance and achievement.

LIORC evaluates both performance and compensation to ensure that its compensation philosophy and objectives are met. LIORC periodically reviews its executive compensation philosophy and programs to ensure that they are consistent with its goals of attracting, retaining and motivating executive officers to enhance shareholder value. In 2018, this evaluation and review was undertaken by the Compensation Committee.

Executive Compensation Governance, Process and Components

The Compensation Committee, comprised of William J. Corcoran, Mark J. Fuller, Duncan N. R. Jackman and Patricia M. Volker (each of whom is an independent Director), has a Board-approved mandate that authorizes it to set compensation for the Directors, including fees and incentive awards, and to review the performance of LIORC's officers and to set their compensation, including fees and incentive awards.

All members of the Compensation Committee have a thorough understanding of the principles and policies underlying executive compensation decisions. They acquired this through experience as senior executive officers of publicly-traded corporations and other sizeable businesses and not-for-profit organizations, as well as through other experience. Several members of the Compensation Committee serve or have served on other compensation or human resources committees and all have experience in dealing with compensation matters, including the development and oversight of incentive plans, leadership and succession planning and the financial and market analysis of compensation practices.

LIORC is a passive holder of interests in IOC and has no operating business. In these circumstances, the Compensation Committee's process for determining executive compensation has historically been very simple and it relied solely on discussion among the members of the Compensation Committee, without any formal objectives, criteria or analysis. The focus has been on the performance by the executive officer of his or her duties and responsibilities. Compensation of LIORC's executive officers has been relatively modest to reflect the nature of their roles and corporate constraints.

In 2017, the Board adopted an annual performance framework (including the Restricted Share Unit Plan for Designated Officers (the "**RSU Plan**")) which has resulted in a degree of formalization of certain aspects of the annual performance assessment process utilized to determine executive compensation.

At the outset of each fiscal year, the CEO prepares a list of the CEO's key objectives and provides that list to the Compensation Committee. The CEO also prepares lists of similar key objectives for the other executive officers and delivers those lists to the Compensation Committee. These objectives form a "scorecard" that forms the basis of the annual performance assessment for the executive officers that drives the payment of annual cash bonuses and grants of restricted share units ("**RSU's**") pursuant to the RSU Plan. At the end of each fiscal year (or early in the following year), the Compensation Committee reviews the CEO's performance against each of the key objectives. The Compensation Committee's assessment of performance generates a score ranging from 0% to 150% (with 100% representing a "target" score where key objectives are achieved) that drives a payout calculated as a percentage of the CEO's current base salary. Similarly, the CEO assesses the performance of each of the other executive officers against his or her key objectives and recommends a score for the Compensation Committee's review and approval. The Board retains full discretion to adjust the quantum of the payment of annual cash bonuses and the grants of RSU's for each executive officer based on LIORC's financial performance and an overall market context.

LIORC's unique business profile limits its comparability to other publicly traded companies. LIORC's business is less complex than traditional gold and mineral royalty companies in Canada and there are few other comparable royalty entities outside of this industry segment. To benchmark executive compensation, LIORC uses publicly traded gold and mineral royalty companies (with data discounted appropriately to reflect differences in functions and executive officers' responsibilities) and certain other publicly traded royalty entities. The benchmarking data is used by the Compensation Committee as a reference point to inform its judgment in determining appropriate pay levels. This benchmarking peer group consists of Abitibi Royalties Inc., Altius Minerals Corporation, Diversified Royalty Corp., Dorchester Minerals, L.P., EMX Royalty Corp., Freehold Royalties Ltd., Osisko Gold Royalties Ltd. and Sandstorm Gold Ltd. In reviewing its executive compensation, LIORC compares base salary, target annual bonus, target total cash compensation (salary plus annual bonus), target long-term incentive and target total direct compensation for its executive officers against those of its peers.

Components of Executive Compensation

The components of compensation for LIORC's executive officers during the year ending December 31, 2018 consisted of:

- base salary;
- discretionary bonus;
- performance-based annual cash bonuses; and
- performance-based RSU's granted under the RSU Plan.

The mix of these components in any given year is primarily influenced by the individual performance of the executive officer, the financial performance of LIORC and the competitive market levels of compensation.

Base Salary

LIORC provides its executive officers with a base salary to compensate them for services rendered during the fiscal year and to aid in attracting and retaining quality executive officers. The base salary for each executive officer is reviewed annually or upon a promotion or other change in job responsibility, based on the individual's level of responsibility, the importance of the position and LIORC's financial performance.

Discretionary Bonus

LIORC has historically paid discretionary bonuses to executive officers to reward those individuals' contributions to the furtherance of LIORC's strategic direction and based on LIORC's financial performance. Historically, the Compensation Committee's process for determining discretionary bonuses has been very simple and the Committee relied solely on discussion among its members, without any formal objectives, criteria or analysis. Following adoption of the annual performance framework in 2017, discretionary bonuses were replaced with the performance-based annual cash bonuses and RSU's described below.

Performance-Based Annual Cash Bonuses

Executive officers of LIORC are entitled to receive an annual cash bonus based on performance against pre-determined personal objectives outlined at the beginning of the fiscal year in the scorecard and assessed at the completion of the fiscal year (or shortly thereafter). These annual cash bonuses are designed to serve as a short-term incentive to reward executive officers for personal performance.

The annual cash bonuses are denominated as a percentage of current base salary and are paid within the following payout ranges:

Executive Officers	Minimum/Threshold (i.e., Score = 0% of Target)	Target (i.e., Score = 100% of Target)	Maximum (i.e., Score = 150% of Target)
CEO	0% of base salary	25% of base salary	37.5% of base salary
CFO	0% of base salary	25% of base salary	37.5% of base salary
EVP	0% of base salary	25% of base salary	37.5% of base salary
EVP	0% of base salary	25% of base salary	37.5% of base salary

Scores between 0% and 150% are linearly interpolated to correspond to the relevant payout level. The award ranges described above are subject to review and confirmation by the Board annually.

Performance-Based Awards of RSU's

Executive officers are entitled to receive awards of RSU's based on performance against pre-determined personal objectives outlined at the beginning of the fiscal year in the scorecard and assessed at the completion of the fiscal year (or shortly thereafter). Grants of RSU's are designed to serve as a long-term incentive for executive officers, to focus their efforts on key corporate objectives outlined by the Board and to align their interests with those of LIORC's shareholders.

Grant date values are set in the context of the executive officer's total direct compensation and sized as a percentage of base salary. Grant date values are subject to review and confirmation by the Board, including the Board's assessment of performance. Previous grants of RSU's are generally not taken into account when considering new grants in light of the fact that awards are made based on an executive officer's performance against pre-determined personal objectives each year. The number of RSU's granted is calculated by dividing the grant value of the award by the average closing trading price of LIORC's common shares on the Toronto Stock Exchange (the "**TSX**") on the five business days leading up to and including the award date. The aggregate value of an award of RSU's is denominated as a percentage of current base salary and grants are made within the following ranges:

Executive Officers	Minimum/Threshold (i.e., Score = 0% of Target)	Target (i.e., Score = 100% of Target)	Maximum (i.e., Score = 150% of Target)
CEO	0% of base salary	30% of base salary	45% of base salary
CFO	0% of base salary	30% of base salary	45% of base salary
EVP	0% of base salary	30% of base salary	45% of base salary
EVP	0% of base salary	30% of base salary	45% of base salary

Scores between 0% and 150% are linearly interpolated to correspond to the relevant level. The award ranges described above are subject to review and confirmation by the Board annually.

RSU Plan

The RSU Plan is administered by the Board, which may delegate administrative responsibilities, in whole or in part, to a committee of the Board or management of LIORC. As of the date hereof, administrative responsibility has been delegated by the Board to the Compensation Committee. The Board has the discretion to determine which employees are eligible in any particular year to participate in the RSU Plan.

RSU's vest in three equal installments on each of the first, second and third anniversary of the award date, provided that the Board retains discretion to accelerate the vesting of any RSU. Notwithstanding the foregoing and except as otherwise determined by the Board, RSU's will also vest in accordance with the following:

- *Termination without cause:* Subject to the exercise of Board discretion (see "*Retirement or termination without cause*" below) unvested RSU's are forfeited following the expiry of the applicable notice period.
- *Termination with cause:* Unvested RSU's are forfeited.
- *Death:* Unvested RSU's immediately vest and no further RSU's are issued or credited.
- *Disability:* Unvested RSU's continue to vest and are paid out in accordance with the original vesting schedule.
- *Change of Control:* Unvested RSU's immediately vest on the date of a change of control.
- *Retirement or termination without cause:* The Board may, in its discretion, (i) accelerate the vesting of all or a part of the unvested RSU's that would otherwise remain unvested and therefore be forfeited, or (ii) accelerate the payment of all unvested RSU's that would eventually become vested.

Upon vesting, the RSU's are automatically redeemed for an amount of money equal to the number of RSU's multiplied by the average closing trading price of LIORC's common shares on the TSX on the five business days leading up to and including the vesting date. A holder of RSU's is also entitled to receive additional RSU's having an aggregate value equal to the value of any dividends paid by LIORC on the number of common shares underlying the holder's RSU's during each fiscal quarter. Holders are not permitted to assign or transfer their RSU's.

All RSU's are subject to a claw-back provision that entitles the Board, in its discretion, to cancel unvested or vested but unpaid RSU's and to recover from participants amounts paid on the redemption of RSU's in the prior 12 months in the following circumstances:

- LIORC is required to prepare an accounting restatement due to material non-compliance with financial reporting requirements of securities laws, to the extent required by such laws or government regulations; or
- the participant is terminated for cause which involves serious misconduct, fraud or gross negligence by the participant, as determined by the Board in its discretion.

The RSU Plan permits the Board to make reasonable and appropriate adjustments to preserve the intended benefits of the RSU Plan for participants with respect to RSU's in the event of the subdivision or consolidation of the common shares, payments of extraordinary dividends, reclassification or conversion of the common shares, recapitalization, reorganization, change of control or other events as the Board may determine. The Board also retains broad discretion to amend or terminate the RSU Plan at any time or from time to time, subject to certain restrictions designed to protect the rights of participants.

Assessment of Risks Associated with Compensation Policies and Practices

The Compensation Committee has assessed LIORC's executive compensation policies and practices to ensure alignment of those policies and practices with LIORC's business and to evaluate potential risks associated with those policies and practices. The Compensation Committee has concluded that, although LIORC maintains performance-based incentive plans, the executive compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on LIORC.

None of the executive officers or directors of LIORC 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 LIORC's securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Executive Compensation-Related Fees

In January 2017, LIORC retained Hugessen to assist the Compensation Committee to review LIORC's executive and director compensation frameworks and related governance practices. The aggregate fees billed by Hugessen in 2017 and 2018 for services related to determining compensation for LIORC's executive officers and directors were $57,981 and $7,531, respectively.

Compensation Table

The compensation paid by LIORC to its executive officers for the period from January 1, 2016 to December 31, 2018 and to its Directors for the period from January 1, 2018 to December 31, 2018, was as follows:

				Non-Equity Incentive Plan Compensation			
Name and Principal Position	Year	Salary	Share-based awards[3]	Annual Incentive Plans[2]	Fees Earned	All Other Compensation	Total Compensation
William H. McNeil[1]	2018	$255,000	$103,275	$86,063	—	—	$448,338
President and CEO and	2017	$220,000	$ 66,000	$55,000	—		$341,000
Director	2016	$ 73,333	—	$33,000	$ 82,517		$188,850
James C. McCartney	2018	$165,000	$ 66,825	$55,688	—	—	$287,513
Executive Vice President	2017	$155,000	$ 46,500	$38,750	—		$240,250
and Director	2016	$155,000	—	$31,000	—		$186,000
Sandra L. Rosch	2018	$138,000	$ 55,890	$46,575	—	—	$240,465
Executive Vice President	2017	$130,000	$ 39,000	$32,500	—		$201,500
and Director	2016	$130,000	—	$26,000	—		$156,000
Alan R. Thomas	2018	$138,000	$ 55,890	$46,575	—	—	$240,465
CFO	2017	$130,000	$ 39,000	$32,500	—		$201,500
	2016	$130,000	—	$26,000	—		$156,000
William J. Corcoran Non-executive Chair of the Board and Director	2018	—	—	—	$ 91,400	—	$ 91,400
Duncan N.R. Jackman Director	2018	—	—	—	$ 50,400	—	$ 50,400
Mark J. Fuller Director	2018	—	—	—	$116,400	—	$116,400
John F. Tuer[4][5] Director	2018	—	—	—	$ 63,238	$106,000	$169,238
Patricia M. Volker Director	2018	—	—	—	$ 72,800	—	$ 72,800

Notes:

(1) Mr. McNeil was appointed President and CEO on September 1, 2016 and resigned on March 7, 2019.

(2) Amounts for 2017 and 2018 represent performance-based annual cash bonuses earned by the executive officers in that fiscal year but paid in the subsequent fiscal year in accordance with LIORC's annual performance framework. Amounts for 2016 represent discretionary cash bonuses paid to the executive officers in 2017 in respect of performance in fiscal 2016.

(3) Amounts for 2017 and 2018 represent an award of RSU's under the RSU Plan earned by the executive officers in that fiscal year but awarded in the subsequent fiscal year.

(4) Mr. Tuer was appointed President and CEO on March 7, 2019.

(5) LIORC paid $56,000 to Tuer Advisory Services Limited, a corporation controlled by Mr. Tuer, for certain strategic and financial consulting services in accordance with a consulting agreement. On March 7, 2019, LIORC made a compensation adjustment for 2018 under the consulting agreement of $50,000.

Incentive Plans — Outstanding Share-Based Awards

The following table sets forth information regarding share-based awards that were outstanding at December 31, 2018. All values shown in the table are based upon the closing price of the common shares on the TSX of $24.24 per share on December 31, 2018.

Name	Number of shares or units of shares that have not vested	Market or pay-out value of share-based awards that have not vested	Market or pay-out value of vested share-based awards not paid out or distributed
William H. McNeil	2,981	$72,271	Nil
James C. McCartney	2,100	$50,918	Nil
Sandra L. Rosch	1,762	$42,706	Nil
Alan R. Thomas	1,762	$42,706	Nil

Incentive Plans — Value Vested or Earned During the Year

The following table discloses the aggregate value realized upon vesting of share-based awards and the value of non-equity incentive plan compensation earned, in each case during the year ended December 31, 2018.

Name	Share-based awards — Value vested during the year	Non-equity incentive plan compensation — Value earned during the year
William H. McNeil	Nil	$86,063
James C. McCartney	Nil	$55,688
Sandra L. Rosch	Nil	$46,575
Alan R. Thomas	Nil	$46,575

Miscellaneous Compensation Matters

For the year ended December 31, 2018, the total compensation of the named executive officers represents 0.9% of comprehensive net income. Messrs. Tuer, McCartney and Thomas and Ms. Rosch each have an employment contract that provides for the payment of two times his or her salary in the event of a change of control of LIORC, but no amount is payable if he or she continues as an employee of LIORC for a period longer than 90 days after the change of control.

Mr. McNeil's performance objectives for fiscal 2018 were subjective and included the development and implementation of corporate strategies, matters related to specific strategic matters, monitoring industry developments, managing Board matters, conducting specific investor relations activities, representing LIORC on the IOC board of directors, undertaking specific activities relating to leadership of LIORC management and managing human resource matters. Following a review of Mr. McNeil's performance, the Compensation Committee determined that Mr. McNeil achieved a 135% target score for having achieved his objectives.

The performance objectives set for each of the other executive officers in fiscal 2018 was also subjective. Mr. Thomas' objectives included matters relating to financial reporting, professional development and administration. Ms. Rosch's objectives included conducting specific investor relations activities, undertaking professional development and undertaking specific activities relating to business and financial matters. Mr. McCartney's objectives related to specific strategic matters and managing administrative matters. Following a review of the performance of each executive officer by Mr. McNeil, the Compensation Committee determined (based on Mr. McNeil's recommendation) that each executive officer achieved a 135% target score for having achieved his or her objectives.

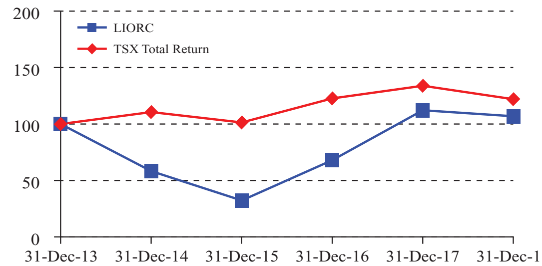
The Directors are entitled to compensation as approved by the Board. As at December 31, 2018, the annual compensation of the Directors, other than those who are also executive officers, is $30,000 each and $1,200 for each meeting attended. Mr. William Corcoran will serve as non-executive Chair of the Board until the date of the Meeting and his annual compensation as such is $25,000. The Chair of the Audit Committee is paid an additional $20,000 per annum, the Chair of the Compensation Committee is paid an additional $10,000 per annum and the Chair of the Nominating Committee is paid an additional $10,000 per annum. In 2018, Mr. Fuller was paid an additional $50,000 per annum for serving on the board of directors of IOC. The Directors who are also executive officers do not receive compensation for serving as Directors.

The total cash compensation paid to the named executive officers and Directors during the year ended December 31, 2018 was $1,218,498. The total cash compensation paid to the named executive officers and Directors during the year ended December 31, 2017 was $1,059,371. Officers' salaries and incentives and Directors' fees are not affected by the price performance of LIORC's common shares.

Performance Graph

The graph below shows the cumulative total return on a $100 investment on December 31, 2013 in common shares of LIORC and the cumulative total return of the S&P/TSX Composite Index over the five year period ending December 31, 2018, assuming reinvestment of all distributions.

	2013	2014	2015	2016	2017	2018
LIORC	100	58.3	32.3	68.0	112.2	106.9
TSX Total Return . .	100	110.6	101.4	122.7	133.9	122.0



OTHER MATTERS

Administration Agreement

Pursuant to an administration agreement (the "**Administration Agreement**") dated January 1, 2019 between LIORC and Suske Capital Inc. (the "**Administrator**"), the Administrator acts as administrator for LIORC and its subsidiary, Hollinger-Hanna Limited, for an aggregate annual fee of $225,000 (payable quarterly). The Administrator has agreed to provide normal administrative functions required to support LIORC and Hollinger-Hanna Limited. The services provided by the Administrator pursuant to the administration agreement are provided by the same professional personnel who historically provided the services pursuant to an administration agreement between LIORC and Scotia Managed Companies Administration Inc. (who withdrew from the administration business in 2018). The term of the Administration Agreement expires on December 31, 2021, subject to earlier termination by either party on 90 days' written notice for any reason or forthwith on written notice in the event of certain insolvency events, a breach that remains uncured for 30 days or the professional personnel providing the services ceasing to be actively employed by the Administrator. In addition, LIORC has agreed to reimburse the Administrator for its reasonable and documented out-of-pocket expenses and to indemnify the Administrator from certain losses arising from the Administration Agreement. The address of the Administrator is 2275 Upper Middle Road East, Suite 400, Oakville, Ontario L6H 0C3.

Interest of Certain Persons and Companies in Matters to be Acted Upon

The Directors of LIORC are not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any Director or executive officer of LIORC at any time since January 1, 2018, or of any associate or affiliate of any of the foregoing, in any matter to be acted on at the Meeting.

Corporate Governance Matters

Disclosure regarding LIORC's corporate governance practices is set out in Appendix A to this Information Circular.

Environmental and Social Matters

LIORC is a passive investment company, holding a royalty and 15.1% of the shares of Iron Ore Company of Canada. LIORC has no direct involvement in the operations of IOC or its social or environmental matters. With respect to management of environmental and social issues, LIORC sees itself as similar to other investment companies or mutual funds. LIORC believes that the environmental and social policies at IOC are well managed. Rio Tinto is the majority shareholder of IOC (58.72%) and has excellent policies and procedures in place to deal with environmental and social matters. As LIORC's nominees to the board of directors of IOC, Messrs. Tuer and Fuller have some insight into IOC's environmental and social matters and periodically update the board of directors of LIORC on these matters when appropriate.

Additional Information

Additional information relating to LIORC is available on SEDAR at www.sedar.com. Additional information is also available on LIORC's website at www.labradorironore.com. Financial information is provided in LIORC's comparative financial statements and MD&A in its 2018 Annual Report. Holders of common shares may contact LIORC at PO Box 957, STN Adelaide Toronto, Ontario M5C 2K3; telephone (416) 863-7133; email investor.relations@labradorironore.com to request copies of LIORC's financial statements and MD&A.

Shareholder Proposals for Next Year's Annual Meeting

The *Canada Business Corporations Act* permits certain eligible shareholders to submit shareholder proposals to LIORC for inclusion in a management proxy circular for an annual meeting of shareholders. The final date by which LIORC must receive shareholder proposals for the annual meeting to be held in fiscal 2020 is January 1, 2020.

In addition, LIORC's By-Law No. 5 fixes a deadline by which shareholders must submit Director nominations prior to any meeting of shareholders. In the case of annual meetings, advance notice must be delivered to LIORC not less than 30 days prior to the date of the meeting. By-Law No. 5 also requires any shareholder making a Director nomination to provide certain important information about its nominees with its advance notice. Only shareholders who comply with the requirements of By-Law No. 5 will be permitted to nominate Directors to the Board unless the "advance notice" requirements of By-Law No. 5 are waived by the Board in its sole discretion. LIORC's By-Law No. 5 is available online on SEDAR at www.sedar.com and on LIORC's website at www.labradorironore.com.

Directors' Approval

The contents and sending of this Information Circular have been approved by the Directors of LIORC.

Dated the 17th day of April, 2019.

James C. McCartney
Executive Vice President

APPENDIX A

CORPORATE GOVERNANCE DISCLOSURE

Directors

- The Directors who are independent are William J. Corcoran, Duncan N.R. Jackman, Mark J. Fuller and Patricia M. Volker.
- Sandra L. Rosch and John F. Tuer are officers of LIORC and are not considered to be independent. William H. McNeil is a former officer of LIORC and is also not considered to be independent.
- A majority of the Directors are independent.
- William J. Corcoran is also a director of E-L Financial Corporation. Mark J. Fuller is a director of The Empire Life Insurance Company. Duncan N.R. Jackman is Chair, President and CEO and a director of E-L Financial Corporation Limited and is also a director of Algoma Central Corporation, Dream Global Real Estate Investment Trust, Dream Unlimited Corp., Economic Investment Trust Limited, The Empire Life Insurance Company, First National Financial Corporation and United Corporations Limited. Sandra L. Rosch was a director and Chair of Cline Mining Corporation until July 2015 and it filed under the *Companies' Creditors Arrangement Act* (Canada) in December 2014. Patricia M. Volker is a director of Denison Mines Corp.
- The independent Directors meet separately at their discretion. They make up the Audit, Compensation and Nominating Committees. LIORC is a passive holder of interests in Iron Ore Company of Canada ("**IOC**") and has no operating business. The main responsibility of the Directors is to supervise the receipt of revenues and the payment of dividends to holders of common shares. In these circumstances, LIORC does not require as much organization and structure as an operating company. All discussion, including discussion among the independent Directors, is open and candid. The Directors facilitate open and candid discussion among the independent Directors by asking non-independent Directors to recuse themselves from meetings in the event of any conflict or potential conflict of interest. The Audit Committee meets with LIORC's auditors at least once each year without management present.
- William J. Corcoran, the current Chair of the Board, is an independent Director. When present, he presides at all meetings of the Board of Directors and, in the absence of the President and CEO, at meetings of the shareholders. Following the Meeting, it is anticipated that Mr. McNeil will assume the role of Chair of the Board and Mr. Fuller will assume the role of Lead Director. The quorum for director meetings is a majority of the number of directors.
- In 2018, nine meetings of the Directors were held. All of the Directors attended all of the meetings except that Mr. McCartney was unable to participate in two meetings due to technology issues beyond his control. In 2018, eight meetings of Committees of the Board were held and all members of the Committees attended all of the meetings.

Mandate

- The Directors have developed a written mandate which is attached as a Schedule hereto.

Position Descriptions

- The Directors have developed written descriptions of the responsibilities of the Chair of the Board, the Lead Director and the President and CEO. The Chairs of the committees are appointed under resolutions appointing the committees and their responsibilities are those usually applicable to the offices.

Orientation and Continuing Education

- Mr. Corcoran was an initial Trustee when the predecessor Fund was established in 1995. He underwent an initial education program. When Duncan N.R. Jackman, Mark J. Fuller, William H. McNeil, Sandra L. Rosch, John F. Tuer and Patricia M. Volker were first elected, they were provided with an orientation and education program regarding the role of the Board, its committees and its Directors and the nature of LIORC's business.

- The Directors receive confidential monthly reports on the operations of IOC and periodically visit the mine and other facilities of IOC.

Ethical Business Conduct

- The Directors have adopted a written code of conduct which is posted, together with the Mandate for the Board of Directors, on LIORC's website at www.labradorironore.com. The Board of Directors monitors compliance with the code as part of its ongoing responsibilities.

Nomination of Directors

- The Nominating Committee, made up of the independent Directors, is responsible for reviewing the performance and attendance record of the Directors annually and for selecting the nominees for election as Directors by the holders of common shares at each annual meeting. The Chair of the Nominating Committee is currently the Chair of the Board. Upon Mr. McNeil being appointed Chair of the Board, the Lead Director will be the Chair of the Nominating Committee.

Compensation

- The Compensation Committee, made up of the independent Directors, determines the fees and other compensation for the Directors and the compensation for the officers. The Compensation Committee considers the responsibilities, risks and time commitments of the Directors and the officers. The Compensation Committee is responsible for reviewing the performance of the officers.

Assessments

- The Nominating Committee assesses the performance of the Directors during each year as part of the process of selecting nominees for election as Directors by the holders of common shares for the following year.

Director Term Limits

- The Directors are elected until the next annual meeting or until their successors are elected or appointed. There are no other term limits for Directors. The annual nomination and election process, including the annual review of the composition of the Board, is regarded by the Board as a sufficient mechanism of Board renewal.

Representation of Women on the Board and in Executive Officer Positions

- LIORC has an informal policy relating to the identification and nomination of women directors but does not currently have a written policy. The Nominating Committee actively considers gender balance matters in its annual review of the composition of the Board. The Nominating Committee discusses the level of representation by women on the Board at meetings held to identify and nominate candidates for election to the Board. If the Directors nominated in this Information Circular are elected at the Meeting, two of seven, or 29%, of the Directors will be women. In 2018, there were two women on the Board of Directors.
- LIORC has four executive officer positions, one of which (25%) is held by a woman.
- LIORC has not adopted targets regarding the number of women on the Board or in executive officer positions. LIORC is a passive holding company and has no operating business. As a result, the numbers of directors and executive officers are relatively small and a target would not be meaningful.

SCHEDULE TO APPENDIX A

MANDATE FOR THE BOARD OF DIRECTORS

The board of directors of the Corporation (the "**Board**") is elected by its shareholders and is responsible for managing, or supervising the management of, the investments and other business and affairs of the Corporation, including its subsidiary, Hollinger-Hanna Limited, and their holdings of a 7% gross overriding royalty on all products sold, delivered and shipped by Iron Ore Company of Canada ("**IOC**"), a 15.1% equity interest in IOC and a 10 cent per tonne fee on all products sold and shipped by IOC.

The Corporation is a passive holder of interests in IOC and has no operating business. The most important activity of the Board is supervising the receipt of revenues and the payment of dividends to the holders of its common shares. In these circumstances, the Corporation does not require as much organization and structure as an operating company. Accordingly, the numbers of its directors and officers are small. The Board has appointed Suske Capital Inc. as administrator of the Corporation and its subsidiary, subject to the supervision of the Board and the officers of the Corporation.

The Board discharges its responsibilities directly and through committees, including an Audit Committee, Compensation Committee and Nominating Committee. In addition to the Board's primary responsibility of managing, or supervising the management of, the business and affairs of the Corporation, including the management of the investments of the Corporation, its responsibilities include, but are not limited to, the following:

General

1. The Board has the responsibility to manage, or to supervise the management of, the business and affairs of the Corporation, to approve policies of the Corporation and to review and approve major decisions taken by the Corporation. The stewardship of the Corporation involves the Board in strategic planning, identification of principal risks and ensuring implementation of appropriate systems to manage those risks, management appointments, succession planning and internal control integrity.

Oversight of Officers

2. The Board has the responsibility for approving the appointment of the officers of the Corporation and satisfying itself as to the integrity of the officers.
3. The Board has delegated authority to the President and Chief Executive Officer for the overall management of the Corporation, including operations to ensure the long term success of the Corporation and to maximize shareholder value.
4. The Board may from time to time delegate authority to the officers, subject to specified limits. Matters which are outside the scope of the authority delegated to the officers and material transactions are reviewed by and subject to the prior approval of the Board. The Board is responsible for the Corporation's approach to corporate governance.

Board Organization

5. The Board has the responsibility for developing and monitoring corporate governance principles and guidelines, the selection of the Chair, the selection of nominees for election to the Board, orientation of new directors, committee and committee chair appointments, committee charters, directors' compensation and the selection of a lead director, if any.
6. The Board may delegate to Board committees matters it is responsible for, including the approval of compensation of the directors and management, the conduct of performance evaluations and oversight of internal controls systems and disclosure controls and procedures, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.
7. All Board committees will consist only of independent directors.

8. Each member of a Board committee will hold office until the next annual meeting of shareholders after the member's appointment, except that any member of a committee may be removed at any time by the Board and will cease to be a member upon ceasing to be a director. The Board may fill vacancies on any committee by appointment from among its members. If and when a vacancy exists on a committee, the remaining members of the committee may exercise all of its powers and discharge all of its duties as long as a quorum remains in office.

9. The Board will appoint one of the members of a committee to be chair of the committee. The Secretary of the Corporation will be secretary of the committee. A committee must keep minutes of its meetings in which all action taken by it is recorded. Minutes will be made available to the directors.

10. Unless otherwise provided by the Board, meetings of a committee may be held at such place, on such day and at such time as the chair of the committee determines. Notice of a meeting will be given to each member of a committee at least 48 hours before the time when the meeting is to be held, unless all members of the committee otherwise consent. At all meetings of a committee every question will be decided by a majority of the votes cast on the question, and in the case of an equality of votes the chair of the meeting will not be entitled to a second or casting vote.

Monitoring of Financial Performance and Other Financial Reporting Matters

11. The Board is responsible for exercising the powers and authorities set out in the articles and by-laws of the Corporation.

12. The Board is responsible for approving the audited and unaudited financial statements of the Corporation and the notes thereto and the related Management's Discussion and Analysis.

13. The Board is responsible for reviewing and approving material transactions involving the Corporation and/or its subsidiaries.

Policies and Procedures

14. The Board is responsible for:

    (a) approving and monitoring compliance with all significant policies and procedures under which the Corporation is operated;

    (b) approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards; and

    (c) enforcing obligations of the Corporation respecting confidential treatment of the Corporation's proprietary information and Board deliberations.

Communications and Reporting

15. The Board is responsible for:

    (a) overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;

    (b) overseeing the reporting of financial results, fairly and in accordance with generally accepted accounting principles and related legal disclosure requirements;

    (c) overseeing the integrity of the internal control and management information systems of the Corporation;

    (d) overseeing the evaluation of the disclosure controls and procedures of the Corporation;

    (e) overseeing the timely disclosure of any other developments that have a significant and material impact on the Corporation;

    (f) reporting annually to shareholders on its stewardship for the preceding year; and

    (g) overseeing the investor relations and communications strategy of the Corporation.

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