



Notice of Meeting and Management Information Circular

**For the Annual and Special Meeting of Shareholders
to be held on June 6, 2018**

Dated as of May 8, 2018



POTASH RIDGE CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual Meeting (the "**Meeting**") of the holders of common shares (the "**Shareholders**") of Potash Ridge Corporation (the "**Corporation**") will be held at the offices of Aird & Berlis LLP located at Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9, on June 6, 2018 at 11:00 a.m. (Toronto time) for the following purposes:

1. to receive the financial statements of the Corporation for its financial year ended December 31, 2017, together with the report of the auditors thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to reappoint the auditors of the Corporation for the ensuing year and authorize the directors to fix the auditors' remuneration;
4. to re-approve the Corporation's stock option plan in accordance with the requirements of the Toronto Stock Exchange;
5. to consider, and if thought advisable, pass a special resolution authorizing the board of directors of the Corporation (the "**Board**"), in its sole discretion, to change the name of the Corporation to SOPERior Fertilizer Corp., or such other similar name as the Board determines, in its sole discretion, and as may be approved by the applicable regulatory authorities (including the Toronto Stock Exchange) and permitted by the Director appointed under the *Business Corporations Act* (Ontario); and
6. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The accompanying Management Information Circular (the "**Circular**") provides additional information relating to matters to be dealt with at the Meeting and forms part of this Notice of Meeting.

The Board has fixed the close of business on May 2, 2018 as the record date for the purposes of determining Shareholders entitled to receive notice of and to vote at the Meeting. Registered Shareholders as of the close of business on the record date will be entitled to receive the Notice of Meeting and accompanying Circular and to vote at the Meeting and any adjournment or postponement thereof. Registered holders of non-voting shares of the Corporation as of the close of business on the record date will be entitled to receive the Notice of Meeting and accompanying Circular and are entitled to attend and be heard at the Meeting, but are not entitled to vote on any matter proposed for consideration.

Shareholders are requested to complete, sign, date and return the accompanying form of proxy or voting instruction form for use at the Meeting or any adjournment or postponement thereof, in the envelope provided for that purpose, whether or not they are able to attend personally. **Registered Shareholders who are unable to attend the Meeting in person are entitled to be represented by proxy. In order to validly appoint a proxy nominee to represent, attend and act on behalf of a registered Shareholder at the Meeting, a registered Shareholder must properly complete, sign and date the enclosed form of proxy and return it to the Corporation's registrar and transfer agent, Computershare Trust Company of Canada, as set out in the accompanying Circular for receipt by no later than 11:00 a.m. (Toronto time) on June 4, 2018 or at least 48 hours, excluding Saturdays, Sundays and holidays, prior to any adjournment or postponement of the Meeting at which the proxy is to be used. Alternatively, registered Shareholders may vote by telephone or by using the Internet by following the instructions set out in the accompanying form of proxy and Circular.**

Non-registered Shareholders, whose common shares are registered in the name of an intermediary, such as an investment dealer, bank, trust company, trustee, custodian or other nominee, or a clearing agency in which the intermediary participates, may vote their common shares by following the instructions set out in the accompanying voting instruction form and Circular.

DATED at Toronto, Ontario this 8th day of May, 2018.

By Order of the Board of Directors

(Signed) Andrew Squires

President, Chief Executive Officer, Chief
Operating Officer and Director

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POTASH RIDGE CORPORATION

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Management Information Circular dated May 8, 2018 (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of Potash Ridge Corporation (the "Corporation") for use at the Annual and Special Meeting of holders (the "Shareholders") of common shares (the "Common Shares") of the Corporation (the "Meeting") referred to in the accompanying Notice of Meeting of Shareholders (the "Notice of Meeting") to be held at the offices of Aird & Berlis LLP located at Brookfield Place, 181 Bay Street, Suite 1800, Toronto, Ontario M5J 2T9 on June 6, 2018 at 11:00 a.m. (Toronto Time) and at any adjournment or postponement thereof for the purposes set forth in the Notice of Meeting. The information contained herein is given as of May 8, 2018 and all dollar amounts are stated in Canadian dollars, unless indicated otherwise.

It is expected that the solicitation of proxies will be primarily by mail. Proxies may also be solicited personally, by telephone, e-mail, internet, facsimile or other means of communication by officers, employees and agents of the Corporation. The cost of solicitation will be borne by the Corporation. The Corporation will reimburse investment dealers, banks, custodians, nominees and other fiduciaries for permitted fees and costs incurred by them in mailing soliciting materials to the beneficial owners of shares of the Corporation. No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

Appointment of Proxies

The persons named in the enclosed form of proxy or voting instruction form are directors and/or officers of the Corporation and will represent management of the Corporation at the Meeting. **A Shareholder has the right to appoint a person or company (who need not be a Shareholder), other than the persons designated in the accompanying form of proxy or voting instruction form, to represent the Shareholder at the Meeting. Such right may be exercised by inserting the name of such person or company in the blank space provided in such form and striking out the other names.** To be effective, proxies must be deposited with Computershare Trust Company of Canada. ("Computershare"), the registrar and transfer agent of the Corporation, at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, not later than 11:00 a.m. (Toronto Time) on June 4, 2018 or at least 48 hours, excluding Saturdays, Sundays and holidays, prior to any adjournment or postponement of the Meeting at which the proxy is to be used.

Corporate Shareholders

Any Shareholder that is a corporation may, by resolution of its directors or other governing body, authorize such person as it thinks fit to exercise in respect of and at the Meeting or any adjournment or postponement thereof, the same powers on behalf of the corporation as that corporation could exercise if it were an individual Shareholder personally present, including the right (unless restricted by such resolution) to appoint a proxyholder to represent such corporation. Evidence in writing of the appointment of any such representative should accompany a corporate Shareholder's completed proxy.

Registered Shareholders

A registered Shareholder (a Shareholder who holds a physical Common Share certificate(s) and whose name appears on such Common Share certificate(s)) will receive a form of proxy. As an alternative to voting in person at the Meeting, a form of proxy entitles a registered Shareholder to vote by mail, by telephone or via the Internet in accordance with the following instructions.

- *To vote by Internet:* Go to the website specified on the enclosed form of proxy and follow the voting instructions on the screen. Shareholders will require a control number (located on the front of the form of proxy) (a "**Control Number**") to identify themselves to the system. If your form of proxy does not contain a Control Number, you will not be able to vote via the Internet.
- *To vote by Mail:* Properly complete, sign and date the form of proxy and return it in the enclosed envelope to Computershare, the registrar and transfer agent of the Corporation, located at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department.
- *To vote by Telephone:* Call the toll-free phone number specified on the enclosed form of proxy from a touch tone telephone and, when prompted, follow the instructions provided. Shareholders will require a Control Number to identify themselves to the system. If your form of proxy does not contain a Control Number, you will not be able to vote by telephone.

If you vote via the Internet, DO NOT complete or return the enclosed form of proxy. Voting by mail may be the only method to vote Common Shares held in the name of a corporation or to vote Common Shares being voted on behalf of another individual. The persons named in the enclosed form of proxy represent management of the Corporation. Voting by mail or via the Internet are the only methods by which a Shareholder may appoint a person as proxy nominee other than the management nominees named in the form of proxy.

Non-Voting Shareholders

Registered holders of non-voting shares of the Corporation (the "**Non-Voting Shares**") are entitled to attend and be heard at the Meeting, but are not entitled to vote on any matter proposed for consideration.

Non-Registered Shareholders

Only registered Shareholders or their duly appointed proxy nominees are permitted to attend in person and vote at the Meeting. However, in many cases, Common Shares are beneficially owned by the Shareholder. You are a non-registered beneficial Shareholder (a "**Non-Registered Holder**") if you are a Shareholder whose Common Shares are registered in the name of an intermediary, such as an investment dealer, bank, trust company, trustee, custodian or other nominee (each, an "**Intermediary**"), or a depository or clearing agency (such as The Canadian Depository for Securities Limited in Canada or Cede & Co. in the United States) in which the Intermediary participates. If your Common Shares are listed in an account statement provided to you by a broker or other Intermediary, then in almost all cases those Common Shares will not be registered in your name and are more likely registered under the name of your broker or other nominee or an agent thereof. In Canada, the vast majority of Common Shares are registered under the name of CDS Clearing and Depository Services Inc. ("**CDS**") (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares registered in the name of any Intermediary, such as an investment dealer, broker, bank, trust company, trustee or other nominee, or a clearing agency, can only be voted upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Common Shares on behalf of their clients. Therefore, Non-Registered Holders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person by the appropriate time.

Non-Registered Holders who have not objected to their Intermediary disclosing certain information about them to the Corporation are referred to as "NOBOs" (non-objecting beneficial owners), whereas Non-Registered Holdings who have objected to their Intermediary disclosing ownership information about them to the Corporation are referred to as "OBOs" (objecting beneficial owners). In accordance with National Instrument 54-101—*Communication with Beneficial Owners of*

Securities of a Reporting Issuer, the Corporation has elected to send the Notice of Meeting, this Circular and the related voting instruction form ("**VIF**") or form of proxy or (collectively, the "**Meeting Materials**") indirectly through Intermediaries to the NOBOs and OBOs. The Corporation intends to pay for an Intermediary to deliver the Meeting Materials to OBOs.

The Intermediary holding the Common Shares on your behalf is required to forward the Meeting Materials to you, unless you have waived your right to receive them, and to seek your instructions as to how to vote your Common Shares in respect of each of the matters described in this Circular to be voted on at the Meeting. Each Intermediary has its own procedures which should be carefully followed to ensure that your Common Shares are voted by the Intermediary on your behalf at the Meeting. These procedures may allow for voting by telephone, via the Internet, by mail and/or by facsimile. The applicable instructions for each such method of voting will be set out in the proxy or VIF provided to you directly by the Intermediary. The majority of brokers and nominees now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions, Canada and its counterpart in the United States ("**Broadridge**"). Broadridge typically mails VIFs to the Non-Registered Holders and asks Non-Registered Holders to return the forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting.

A Non-Registered Holder receiving a VIF from Broadridge cannot use that form to vote Common Shares directly at the Meeting. The form must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted. Each Non-Registered Holder should contact his or her Intermediary and carefully follow the voting instructions provided by such Intermediary. If you are a Non-Registered Holder and wish to vote your Common Shares in person at the Meeting, you should contact your Intermediary and follow their instructions for the completion and return of the proxy or VIF provided to you directly by them.

Revocation of Proxies

Proxies given by registered Shareholders for use at the Meeting or any adjournment or postponement thereof may be revoked at any time prior to their use. In addition to revocation in any other manner permitted by law, a registered Shareholder who has given a proxy may revoke the proxy by filing an instrument in writing executed by such Shareholder or by such Shareholder's attorney authorized in writing, or if the Shareholder is a corporation, by a duly authorized officer or attorney of such corporation, and deposited at (i) the registered office of the Corporation shown above at any time up to and including the last business day preceding the day of the Meeting, or any postponement or adjournment thereof, at which the proxy is to be used, or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, prior to being voted at the Meeting or any adjournment or postponement thereof. The execution of a proxy will not affect a registered Shareholder's right to attend the Meeting and vote in person.

Only a registered Shareholder of the Corporation has the right to revoke a proxy in the manner described above. If you are a Non-Registered Shareholder and wish to change your vote, you must arrange for the Intermediary in whose name the Common Shares are registered to revoke the proxy or voting instructions given on your behalf in accordance with the instructions of such Intermediary set out in the VIF. It should be noted that revocation of proxies or voting instructions by a Non-Registered Holder can take several days or even longer to complete and, accordingly, any such revocation should be completed well in advance of the deadline prescribed in the form of proxy or VIF accompanying this Circular, to ensure it is given effect in respect of the Meeting.

A revocation of a proxy will not affect any matter on which a vote has been taken prior to the revocation.

Voting of Proxies

The form of proxy or VIF forwarded to each Shareholder with the Notice of Meeting accompanying this Circular affords each Shareholder an opportunity to specify that the Common Shares held by that Shareholder shall be voted "for" or "withheld" from voting in respect of the election of directors and the appointment of auditors and authorization of the directors to fix the remuneration of the auditors, and shall be voted "for" or "against" each other matter specified in the Notice of Meeting to be acted on.

On any ballot that may be called for, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy or VIF will be voted for or withheld from voting in respect of the election of each director and the reappointment of auditors and authorization of the directors to fix the remuneration of the auditors, in each case in accordance with the specifications made by each Shareholder, and if a Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted for or against such matter.

If no specifications as to voting have been made by a Shareholder, the Common Shares represented by proxies in favour of the management nominees will be voted as follows:

- **FOR the election of each of the five nominees as directors; and**
- **FOR the reappointment of MNP LLP as the auditors of the Corporation and the authorization of the directors to fix their remuneration;**
- **FOR the special resolution authorizing the board of directors of the Corporation, in its sole discretion, to change the name of the Corporation to SOPERior Fertilizer Corp., or such other similar name as the board of directors determines; and**
- **FOR the approval of all unallocated stock options under the Corporation's stock option plan.**

The accompanying form of proxy or VIF confers discretionary authority upon the management proxy nominees named therein in respect of amendments or variations to matters identified in the Notice of Meeting or any other matters that may properly come before the Meeting or any adjournment or postponement thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendments, variations or other matters to come before the Meeting. However, if any amendments, variations or other matters which are not now known to management should properly come before the Meeting or any adjournment or postponement thereof, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy or VIF will be voted on such matters in accordance with the best judgment of the proxy nominees.

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

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of such director or executive officer or proposed nominee has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors or the reappointment of auditors, except as disclosed in this Circular.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

In accordance with applicable laws, the Board has provided notice of and fixed the record date as of May 2, 2018 (the "**Record Date**") for the purposes of determining Shareholders entitled to receive notice of and to vote at the Meeting and any adjournment or postponement thereof. The Corporation has prepared a list, as of the close of business on the Record Date, of the holders of Common Shares. Only Shareholders of record, *i.e.*, registered Shareholders, at the close of business on the Record Date whose name appears on such list will be entitled to vote the Common Shares shown opposite such Shareholder's name on such list at the Meeting or any adjournment or postponement thereof.

As of the Record Date, May 2, 2018 Common Shares were issued and outstanding. Each Common Share carries one vote in respect of each matter to be voted upon at the Meeting. The Common Shares are the only class of voting securities of the Corporation outstanding.

As of the Record Date, to the knowledge of the directors and executive officers of the Corporation, there were no persons who were the direct or indirect beneficial owners of, or exercised control or direction over, 10% or more of the outstanding Common Shares of the Corporation entitled to vote at the Meeting.

The holders of Non-Voting Shares are entitled to receive notice of and to attend and be heard at all meetings of the Shareholders of the Corporation and are entitled to receive all notices of meetings, information circulars and other written information from the Corporation that the holders of Common Shares are entitled to receive from the Corporation but not to vote at such meetings, unless otherwise required by law. As at the Record Date, no Non-Voting Shares were issued and outstanding. See the Corporation's annual information form for the year ended December 31, 2017 (the "**Annual Information Form**") for a full description of the rights attached to the Non-Voting Shares.

BUSINESS OF THE MEETING

Audited Consolidated Financial Statements

The consolidated financial statements of the Corporation for its financial year ended December 31, 2017, together with the report of the auditors thereon (the "**Audited Consolidated Financial Statements**"), will be submitted to Shareholders at the Meeting. A copy of the Audited Consolidated Financial Statements has been mailed to Shareholders who requested it and is also available on SEDAR at www.sedar.com.

Election of Directors

The present term of office of each director of the Corporation will expire immediately prior to the election of directors at the Meeting. Each of the persons whose name appears on the next page is proposed to be elected as a director of the Corporation to serve until the next annual meeting of Shareholders or until his or her successor is elected or appointed.

The Board has adopted a majority voting policy providing that in an uncontested election of directors, any nominee who receives a greater number of votes "withheld" than "for" must submit his or her resignation promptly after the meeting. The Governance, Compensation and Nominating Committee will consider the offer of resignation and make a recommendation to the Board whether or not to accept it. The Board will determine, based on the recommendation of the Governance, Compensation and Nominating Committee, whether or not to accept such director's offer to resign and announce in a press release its determination (and the reasons for rejecting the resignation if applicable) within ninety (90) days following the date of the meeting. The Board will accept the resignation absent exceptional circumstances. Any director who tenders his or her resignation may not participate in the deliberations at the meeting of either the Governance, Compensation and Nominating Committee or the Board at which such director's resignation is considered.

Where a resignation is accepted, the Board may, subject to applicable law, and the Corporation's articles and previously-passed shareholders' resolutions, exercise its discretion with respect to the vacancy and may, without limitation, appoint a new director to fill any vacancy created by the resignation, leave the vacancy unfilled until the next annual general meeting of shareholders, reduce the size of the Board within the minimum and maximum number of directors fixed under the Corporation's articles, or call a special meeting of the shareholders of the Corporation to elect a new director to fill the vacant position. If a director does not tender his or her resignation in accordance with the majority voting policy, the Board will not re-nominate that director at the next election.

It is intended that, on any ballot that may be called for relating to the election of directors, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy will be voted FOR the election of each of the persons whose names are set out below, unless authority to do so is withheld. If any of the proposed nominees should for any reason be unable to serve as a director of the Corporation, the management nominees named in the enclosed form of proxy reserve the right to nominate and vote in their discretion for another nominee as director.

Name and Residence and Position with the Corporation	Date of Appointment	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, Directly or Indirectly, or Over which Control or Direction is Exercised⁽⁶⁾
Bruce Duncan ⁽³⁾⁽⁴⁾⁽⁵⁾ Ontario, Canada <i>Executive Chairman and Director</i>	July 10, 2017	West Oak Capital Partners	175,000 (0.1%)
E. Richard Klue ⁽¹⁾⁽²⁾ British Columbia, Canada <i>Director</i>	May 1, 2018	President, RRR&E Consulting Inc.	-
Andrew Squires ⁽³⁾⁽⁴⁾⁽⁵⁾ Alberta, Canada <i>President, Chief Executive Officer, Chief Operating Officer and Director</i>	June 20, 2017	President, Chief Executive Officer, Chief Operating Officer of the Corporation	-
Arthur Roth ⁽¹⁾⁽²⁾⁽³⁾ Florida, United States <i>Director</i>	July 10, 2017	Principal, AJ Roth and Associates	-
Chris Reid ⁽¹⁾⁽²⁾⁽³⁾ Alberta, Canada <i>Director</i>	April 15, 2016	President and Chief Executive Officer of Petrodorado Energy Ltd.	550,000 (0.3%)

Notes:

- (1) Member of the Audit Committee. Chris Reid is the Chairman of the Audit Committee.
- (2) These directors are independent.
- (3) As of the date hereof, in addition to the Common Shares held, the directors and officers hold the following convertible securities: Bruce Duncan holds 3,250,000 options, Andrew Squires holds 4,500,000 options, Arthur Roth holds 1,000,000 options, and Chris Reid holds 1,050,000 options and 175,000 warrants.
- (4) Bruce Duncan and Andrew Squires also serve as directors of Utah Alunite.
- (5) Bruce Duncan and Andrew Squires also serve as directors of the Valleyfield Fertilizer Corporation.
- (6) Based on 188,545,810 issued and outstanding Common Shares.

The following is biographical information relating to each of the proposed nominees to be elected as directors of the Corporation.

Bruce Duncan — Executive Chairman and Director

Mr. Duncan has over thirty years experience in the capital markets and brokerage industry, including eight years with Gordon Capital Corporation. Mr. Duncan is currently the President of West Oak Capital Partners Inc., which provides strategic advisory services, including identifying and qualifying merger and acquisition candidates and advising in public transactions. Mr. Duncan has extensive capital markets experience, including capital raising, and mergers and acquisitions.

E. Richard Klue — Director

Mr. Klue is a Fellow of the SAIMM, with an Extraction Metallurgy NHD and has a financial degree with Economics and Business Economics majors. He has served the mining and minerals industry for more than 30 years in the areas of operations, sustaining capital projects, project development and management. He has served a wide range of positions from being Plant Superintendent and Metallurgical Manager on operating mines in Namibia and South Africa to Senior Vice President for the Tetra Tech Global Mining Practice's Canada Mining Practice which includes the UK and China. Mr. Klue has provided global strategic direction to the Mining and Minerals industry in operations, studies and projects, and has promoted and developed

new technologies in the Americas, Canada, Africa, India, Russia, Europe and China. Mr. Klue formerly held the position of Executive Committee Member of Messina Investments Ltd., and Director of Bateman Canada Corp.

Andrew Squires — President, Chief Executive Officer, Chief Operating Officer and Director

Mr. Squires brings over three decades of international resource development experience in the energy and natural resources industries. In this time, he has established a proven history of success in creating strong management teams and helping grow new resource ventures into prosperous operations. His entrepreneurial spirit combined with his technical, operational, and financial knowledge have led to success in helping create value in the resource development sector. Of recent note, Mr. Squires was part of the original executive team of Osum Oil Sands Corp., a successful junior oil sands company, in which he was instrumental in creating the team and helping raise over \$1 billion in private equity taking the company to commercial production. Prior to starting Osum Oil Sands, Mr. Squires worked for his own consulting firm providing services for clients including Exxon, Aera, BP, Pemex, PetroCanada, PanCanadian and Chevron. Mr. Squires' engineering and management skills were honed working for companies such as Dominion Exploration, Paramount Resources, Pioneer Natural Resources and Amoco.

Arthur Roth — Vice Chairman and Director

Mr. Roth's career spans fifty years, focused predominately in the fertilizer and chemical industry. Since 1985, A.J. Roth & Associates has provided business consulting and other services to the agribusiness, fertilizer, and selected non-metallic minerals industries, providing proprietary consulting assistance to more than 75 clients in the United States, Canada, Latin America, Europe, China, India, Thailand and Japan. Mr. Roth has held executive positions with I.C. Potash Corporation, International Minerals & Chemical Corp. (now Mosaic Co.), AMAX Chemical Corporation and Helm Fertilizer Corporation.

Chris Reid – Chairman of the Audit Committee and Director

Mr. Reid is the President and Chief Executive Office of Petrodorado Energy Ltd. (“**Petrodorado**”), a petroleum and natural gas exploration and development company, since February 2015. Prior to that Mr. Reid was the Chief Financial Officer of Petrodorado from January 2012 to February 2015, and prior thereto, the controller of Petrodorado. From September 2005 to July 2011, Mr. Reid was a manager with KPMG LLP.

Corporate Cease Trade Orders and Bankruptcies

Mr. Squires was a director of Underground Energy Corp. The TSX suspended trading of Underground Energy Corp. shares on July 4, 2013 as a result of the Company's failure to meet continued listing requirements of the TSX-V. The cease trade order and the suspension in trading of the company's shares were the result of the company's failure to file financial statements and management's discussion and analysis for both the year ended December 31, 2012 and the three months ended March 31, 2013, prior to the required deadlines. The Company's only subsidiary, Underground Energy, Inc. filed for protection from creditors under Chapter 11 of the U.S. Bankruptcy Code on March 4, 2013 and remained under Chapter 11 proceedings at the time of the cease trade order. As a result, the Company had no cash to pay its auditors for the audit of the financial statements for the year ending December 31, 2012 and was therefore unable to file audited 2012 financial statements or reliable March 31, 2013 financial statements due to the possible audit adjustments for 2012. Underground Energy Inc. emerged from the protection of Chapter 11 of the US Bankruptcy Code on January 5, 2015 and the Company was delisted.

Other than as noted above, to the Corporation's knowledge, none of the nominee directors of the Corporation is, or has been, within the ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that was the subject of a cease trade or similar order, or an order that denied such company access to any statutory exemptions under Canadian securities legislation, which order was: (i) in effect for a period of more than 30 consecutive days, and (ii) issued either (a) when the nominee director was acting in the capacity as a director, chief executive officer or chief financial officer, or (b) after such person ceased to be in such capacity, but which resulted from an event that occurred while they were acting in such capacity.

Other than as noted above, to the Corporation's knowledge, none of the nominee directors of the Corporation is, or has been, within the ten years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in such capacity or within one year of that person ceasing to act in such 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 the assets of that company.

Penalties and Sanctions

To the Corporation's knowledge, none of the nominee directors of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for the nominee director.

Personal Bankruptcies

To the Corporation's knowledge, none of the nominee directors of the Corporation, nor a personal holding company of any such persons has, within the ten years before the date of this Circular, been bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the nominee director.

Reappointment and Remuneration of Auditors

Management proposes to reappoint MNP LLP, Chartered Accountants, as the auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders and proposes that the Shareholders authorize the directors to fix the remuneration of the auditors. MNP LLP have been the auditors of the Corporation since January 19, 2018.

It is intended that, on any ballot that may be called for relating to the reappointment of auditors and the authorization of the directors to fix the remuneration of the auditors, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy will be voted FOR the reappointment of MNP LLP as the auditors of the Corporation and the authorization of the directors to fix the remuneration of the auditors, unless authority to do so is withheld.

Approval of Unallocated Stock Options

Section 613(a) of the TSX Company Manual provides that every three (3) years after the institution of a security based compensation arrangement all unallocated rights, options or other entitlements under such arrangement which do not have a fixed maximum number of securities issuable must be approved by a majority of the issuer's directors and by the issuer's security holders. As the Corporation's Stock Option Plan is considered to be a security based compensation arrangement and the Stock Option Plan provides that the maximum number of Common Shares reserved for issuance from time to time pursuant to outstanding Options is not a fixed number and instead shall not exceed a number of Common Shares equal to 10% of the issued and outstanding Common Shares from time to time, approval will be sought at the Meeting to approve the grant of unallocated Options under the Stock Option Plan.

As at May 8, 2018, the maximum number of Common Shares that may be issued under the Stock Option Plan was 18,854,581, representing 10% of the number of issued and outstanding Common Shares on that date. As at May 8, 2018, the Company had Options to potentially acquire 16,745,000 Common Shares outstanding under the Stock Option Plan, leaving up to 2,109,581 Common Shares available for future grants under the Stock Option Plan, based on the number of outstanding Common Shares as at that date.

If the approval is obtained at the Meeting, the Corporation will not be required to seek further approval for unallocated Options under the Stock Option Plan until June 6, 2021. If approval is not obtained at the Meeting, Options which have not been allocated as of May 12, 2018 and Common Shares which are reserved for issuance pursuant to Options which are outstanding as of May 12, 2018 and which are subsequently cancelled, terminated or exercised will not be available for a new grant of Options under the Stock Option Plan. Previously allocated Stock Options will continue to be unaffected by the approval or disapproval of the resolution.

The resolution to approve the unallocated Options under the Stock Option Plan, which needs a majority vote to be approved, is as follows:

Whereas:

1. the Board of Directors of the Corporation adopted on September 20, 2012 the Stock Option Plan which does not have a fixed maximum number of Common Shares issuable;
2. the Shareholders of the Corporation approved the Stock Option Plan, by a majority of votes cast, on June 6, 2018;
3. the rules of the Toronto Stock Exchange provide that all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed number of maximum securities issuable, be approved every three (3) years;

Be it resolved that:

1. all unallocated Options under the Stock Option Plan be and are hereby approved;
2. the Corporation has the ability to continue granting options under the Stock Option Plan until June 6, 2021, which is the date that is three (3) years from the date of the Shareholder meeting at which Shareholder approval is being sought; and
3. any director or officer of the Corporation be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director or officer may, in their discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution.

It is intended that, on any ballot that may be called for relating to the Approval of Unallocated Stock Options Resolution, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy will be voted FOR the Approval of Unallocated Stock Options Resolution, unless instructed to vote against such resolution.

Name Change of the Corporation

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, a special resolution authorizing an amendment to the articles of the Corporation to change the name of the Corporation from "Potash Ridge Corporation" to "SOPerior Fertilizer Corp." (the "**Name Change Resolution**"). The Corporation is seeking to adopt the name "SOPerior Fertilizer Corp." in order to better represent the underlying business of the corporation.

In order to be passed, the Name Change Resolution requires the approval of not less than two-thirds (66.33%) of the votes cast thereon by Shareholders of the Corporation present in person or represented by proxy at the Meeting.

The following is the text of the Name Change Resolution which will be put forward for approval by the Shareholders at the Meeting:

"BE IT HEREBY RESOLVED as a special resolution of the Corporation that:

1. the change of the name of the Corporation to "SOPerior Fertilizer Corp.", or such other similar name as the board of directors of the Corporation may determine, in its sole discretion, and as may be approved by the applicable regulatory authorities (including the TSX) and permitted by the Director appointed under the *Business Corporations Act* (Ontario), is hereby approved, and the articles of the Corporation be amended to effect such change of name;
2. any one director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things that such director or officer may determine to be necessary or desirable to give effect to this resolution (including, without limitation, the delivery of articles of amendment in the prescribed form to the Director appointed

under the *Business Corporations Act* (Ontario)), the execution, delivery and filing of any declarations, agreements, documents or other instruments and the doing of such act or thing being conclusive of such determination; and

3. notwithstanding approval of the Shareholders of the Corporation as herein provided, the board of directors of the Corporation is hereby authorized to revoke this special resolution without further approval, ratification or confirmation of the Shareholders of the Corporation at any time before it is acted upon."

The change of name is subject to regulatory approval including, but not limited to, approval of the TSX.

It is intended that, on any ballot that may be called for relating to the Name Change Resolution, the Common Shares represented by proxies in favour of the management nominees named in the enclosed form of proxy will be voted FOR the Name Change Resolution, unless instructed to vote against such resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Corporation's executive compensation program has three principal components: base salary, stock options and bonuses. It is designed to reward corporate and individual performance, and motivate executives to achieve overall corporate goals.

The Corporation's executive compensation program has the following objectives:

- to attract, retain and motivate qualified executives;
- to align compensation incentives with the development and successful execution of strategic plans;
- to establish a direct link between the performance of the Corporation and individual performance;
- to promote teamwork; and
- to enhance Shareholder value.

The Governance, Compensation and Nominating Committee is responsible for making recommendations to the Board with respect to the compensation of the Corporation's directors and Named Executive Officers. It is currently comprised of Chris Reid, Art Roth and Richard Klue. Meetings of the Governance, Compensation and Nominating Committee are held periodically to review compensation policies and to consider the overall compensation to be paid by the Corporation to its employees, executive officers and directors. Following review of data and discussion by members of the Governance, Compensation and Nominating Committee, recommendations are made to the Board.

In making compensation recommendations, the Governance, Compensation and Nominating Committee considers each executive's performance and other relevant factors, including the scope of each executive's position and responsibilities, the achievement of corporate goals, the current business environment and anticipated changes, and executive retention and recruitment considerations. In establishing base salaries, the Governance, Compensation and Nominating Committee relies on its experience and reviews comparable market salary levels for individuals in positions with similar responsibilities and experience. The Governance, Compensation and Nominating Committee considered the implications of the risks associated with its compensation policies and practices. The Corporation's policies prohibit short selling, selling of call options or buying of put options in respect of the securities of the Corporation.

Base Salaries

Base salaries for the executive officers are designed to attract, retain and motivate qualified executives and are designed to be competitive, subject to adjustment for the realities of the market. Base salaries are determined through comparable market indicators, formal job evaluation, publicly available data, leadership and management skills, experience level and expected level of performance.

Option Based Awards

The Corporation's Stock Option Plan is designed to provide an incentive to the directors, officers and employees to achieve the longer-term objectives of the Corporation and is the responsibility of the Governance, Compensation and Nominating Committee. The purpose of the Stock Option Plan is to give suitable recognition to the ability and performance of such persons who contribute materially to the success of the Corporation and to attract and retain persons of experience and ability by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. Generally, the number of Options granted to any optionee is a function of the level of authority and responsibility of the optionee, the contribution that has been made by the optionee to the business and affairs of the Corporation, the number of Options that have already been granted to the optionee and such other factors as the Governance, Compensation and Nominating Committee may consider relevant. See "Securities Authorized for Issuance Under Equity Compensation Plans" for additional details regarding the Stock Option Plan.

Bonuses

Annual incentives are a variable component of compensation. The variable bonus amount is paid based on a percentage of base salary. The annual incentive bonus is discretionary and in any given year an executive officer's annual incentive bonus may be higher or lower than the target bonus amount, depending upon relative performance and contribution towards meeting various objectives. In 2013, the Governance, Compensation and Nominating Committee recommended to the Board, and the Board approved target bonus levels as follows (as a percentage of base salary): Chief Executive Officer 60%, Chief Financial Officer and Chief Operating Officer 40%, and Vice Presidents 30%. Additionally, each executive officer is eligible to be awarded a further 25% of the target bonus at the discretion of the Board. It was concluded by the Governance, Compensation and Nominating Committee that these target levels were competitive within the marketplace through an examination of similar companies to the Corporation. Given the state of markets and the Corporation's financial condition, the Governance, Compensation and Nominating Committee has never approved the payment of any annual incentive bonuses since 2012.

The Corporation plans to maintain the existing incentive bonus plan, with the same bonus target levels. The categories of objectives for 2018 are: financial, strategic, technical, government and regulatory affairs, and health, safety and environmental. The payment of bonuses is conditional on the Company's ability to pay the bonuses and still remain financially viable.

Directors' Compensation

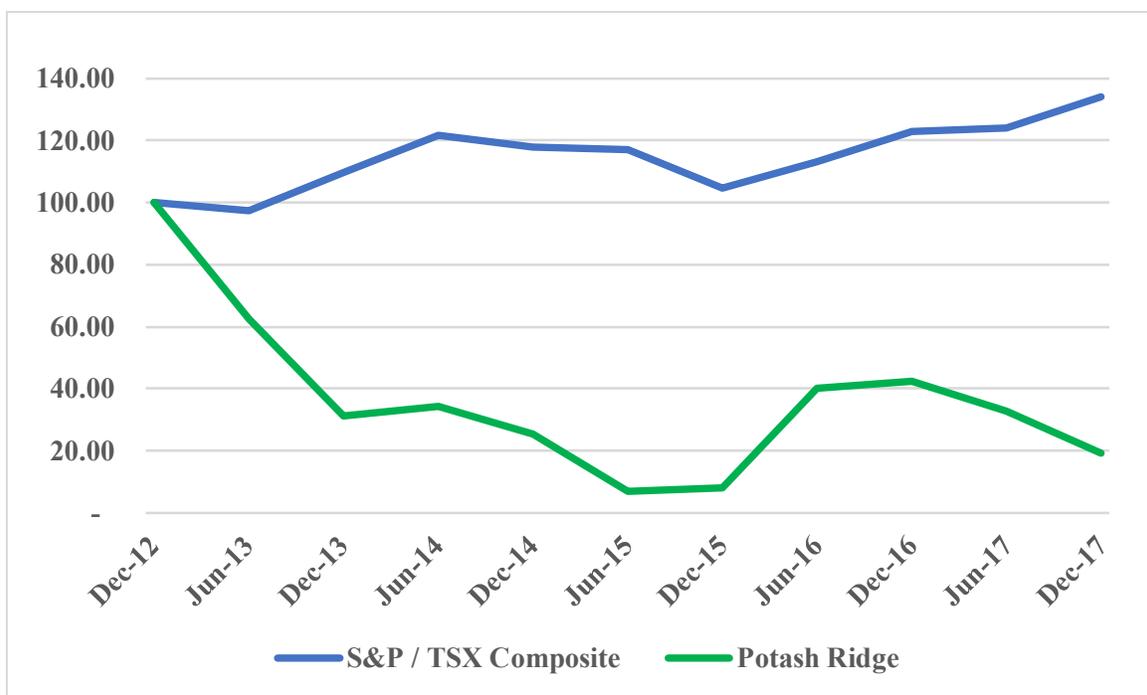
Non-executive directors are paid an annual retainer of \$24,000, payable quarterly, and meeting fees of \$750 per Board or committee meeting, up to a maximum of \$1,500 payable over a two-day period. If appointed, the Audit Committee Chair, the Governance, Compensation and Nominating Committee Chair and the Technical, Environmental and Safety Committee Chair are each paid an additional annual retainer of \$4,000, payable quarterly. Directors may also be reimbursed for all reasonable travel and other expenses incurred by them in the performance of their duties.

Due to the financial condition of the Corporation, the non-executive directors have agreed to reduce their director fees to \$20,000 per annum, payable quarterly.

Non-independent directors are not paid director fees.

Performance Graph

The following graph and table set forth, on a comparative basis, the cumulative total Shareholder return of a \$100 investment in Common Shares and the cumulative total return of the Standard and Poor's (the "S&P")/TSX Composite Index for the period commencing December 5, 2012 and ending December 31, 2017.⁽¹⁾



	Dec 2012	Jun 2013	Dec 2013	Jun 2014	Dec 2014	Jun 2015	Dec 2015	Jun 2016	Dec 2016	Jun 2017	Dec 2017
S&P / TSX Composite	\$100.00	\$97.55	\$109.55	\$121.82	\$117.69	\$117.05	\$104.64	\$113.12	\$122.95	\$123.85	\$134.14
Potash Ridge Corporation	\$100.00	\$62.69	\$31.34	\$34.33	\$25.37	\$6.72	\$8.21	\$40.30	\$42.54	\$32.84	\$19.40

Notes:

(1) The Corporation's Common Shares began trading on the TSX on December 5, 2012.

The Corporation believes that its compensation policies and practices are consistent with market practices and reflects the Corporation's long-term strategy of project development.

Compensation of Named Executive Officers

The following table sets forth information concerning the compensation earned by the individuals who were, during the 2017 fiscal year, the Corporation's Chief Executive Officer, the Corporation's Chief Financial Officer and the three most highly compensated executive officers of the Corporation (other than the Chief Executive Officer and the Chief Financial Officer) whose total compensation was in excess of \$150,000 (such individuals being hereinafter referred to as the "Named Executive Officers"):

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽¹⁾	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			

Andrew Squires <i>President, Chief Executive Officer, Chief Operating Officer and Director</i>	2017	120,000	Nil	470,000 ⁽⁶⁾	Nil	Nil	Nil	2,878	592,878
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Guy Bentinck ⁽²⁾ <i>President, Chief Executive Officer and Director</i>	2017	90,000	Nil	Nil	Nil	Nil	Nil	6,970	96,970
	2016	256,000	Nil	93,800 ⁽⁷⁾	Nil	Nil	Nil	9,510	359,310
	2015	49,375	Nil	54,000 ⁽⁸⁾	Nil	Nil	Nil	4,688	108,063
Ross Phillips ⁽³⁾ <i>Chief Commercial Officer and Interim Chief Financial Officer</i>	2017	180,000	Nil	Nil	Nil	Nil	Nil	5,372	185,372
	2016	240,000	Nil	73,700 ⁽⁷⁾	Nil	Nil	Nil	44,323 ⁽⁹⁾	358,023
	2015	193,500	Nil	28,800 ⁽⁸⁾	Nil	Nil	Nil	4,119	226,419
Jay Hussey ⁽⁴⁾ <i>Vice President, Finance and President, Valleyfield Fertilizer Corp.</i>	2017	195,000	Nil	Nil	Nil	Nil	Nil	5,372	200,372
	2016	225,000	Nil	67,000 ⁽⁷⁾	Nil	Nil	Nil	2,331	294,331
	2015	20,000	Nil	7,200 ⁽⁸⁾	Nil	Nil	Nil	Nil	27,200
Petra Decher ⁽⁵⁾ <i>Chief Financial Officer</i>	2017	92,575	Nil	Nil	Nil	Nil	Nil	2,486	95,061
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Includes all perquisites, including health and insurance benefits
- (2) Mr. Bentinck ceased to be President, Chief Executive Officer of the Corporation on September 5, 2017 and ceased to be a Director on October 1, 2017
- (3) Mr. Phillips served as CFO until March 2, 2017 and was named Interim CFO effective August 10, 2017.
- (4) Mr. Hussey joined the Corporation on August 10, 2015 and left the Corporation on April 11, 2018. Amounts representing consulting fees were paid to Morganbridge Communications Inc., a private company controlled by Mr. Hussey.
- (5) Ms. Decker served as CFO from March 2, 2017 to August 10, 2017.
- (6) Mr. Squires was granted options in July 2017 and in October 2017. The dollar value of the Option award in July 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 121%; risk-free interest rate – 1.92%; expected life – 10 years and dividend yield – 0%. The dollar value of the Option award in October 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 119%; risk-free interest rate – 2.03%; expected life – 10 years and dividend yield – 0%
- (7) The dollar value of the Option award is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility - 131%; risk-free interest rate - 1.04%; expected life - 7.5 years and dividend yield - 0%.
- (8) The dollar value of the Option award is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility - 100%; risk-free interest rate - 1.56%; expected life - 7.5 years and dividend yield - 0%.
- (9) Includes reimbursement for relocation expenses.

Incentive Plan Awards

Outstanding Option-based awards

The following table (presented in accordance with Form 51-102F6) sets forth details of all awards outstanding for each Named Executive Officer at the end of the most recently completed financial year.

Name and principal position	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Option-based awards — Value of unexercised in-the-money Options (\$) ⁽¹⁾
	500,000	\$0.19	July 13, 2027	Nil

Name and principal position	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Option-based awards — Value of unexercised in-the-money Options (\$) ⁽¹⁾
Andrew Squires <i>President, Chief Executive Officer, Chief Operating Officer and Director</i>	4,000,000	\$0.10	October 13, 2027	\$120,500
Guy Bentinck ⁽²⁾ <i>President, Chief Executive Officer and Director</i>	Nil	Nil	Nil	\$0
Ross Phillips <i>Chief Commercial Officer and Interim Chief Financial Officer</i>	800,000	\$0.04	November 27, 2025	\$72,000
	1000,000	\$0.25	December 9, 2021	\$0
	275,000	0.40	August 11, 2026	\$0
	600,000	0.75	January 26, 2022	\$0
Jay Hussey ⁽³⁾ <i>Vice President, Finance and President, Valleyfield Fertilizer Corp.</i>	250,000	0.40	August 11, 2026	\$0
	200,000	0.04	November 27, 2025	\$18,000
Petra Decher ⁽⁴⁾ <i>Chief Financial Officer</i>	Nil	Nil	Nil	\$0.

Notes:

- (1) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 29, 2017 (as December 31, 2017 fell on a Sunday) and the exercise price of the Options, multiplied by the number of vested, unexercised Options. The closing market price of the Common Shares on December 29, 2017 was \$0.13.
- (2) Mr. Bentinck ceased to be President, Chief Executive Officer of the Corporation on September 5, 2017 and ceased to be a Director on October 1, 2017.
- (3) Mr. Hussey ceased to be Vice President, Finance and President, Valleyfield Fertilizer Corp. on April 11, 2018.
- (4) Ms. Decher ceased to be CFO on August 10, 2017.

Incentive Plan Awards – Value vested or earned during the year

The following table sets forth the value vested or earned during the year of Option-based awards, share-based awards and non-equity incentive plan compensation paid to Named Executive Officers during the most recently completed financial year.

Name and principal position	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 (\$)
Andrew Squires <i>President, Chief Executive Officer, Chief Operating Officer and Director</i>	\$470,000 ⁽¹⁾	Nil	Nil
Guy Bentinck ⁽²⁾ <i>President, Chief Executive Officer and Director</i>	Nil	Nil	Nil

Name and principal position	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 (\$)
Ross Phillips <i>Chief Commercial Officer and Interim Chief Financial Officer</i>	\$24,567 ⁽⁵⁾	Nil	Nil
Jay Hussey ⁽³⁾ <i>Vice President, Finance and President, Valleyfield Fertilizer Corp.</i>	\$22,333 ⁽⁵⁾	Nil	Nil
Petra Decher ⁽⁴⁾ <i>Chief Financial Officer</i>	Nil	Nil	Nil

Notes:

(1) Mr. Squires was granted options in July 2017 and in October 2017. The dollar value of the Option award in July 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 121%; risk-free interest rate – 1.92%; expected life – 10 years and dividend yield – 0%. The dollar value of the Option award in October 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 119%; risk-free interest rate – 2.03%; expected life – 10 years and dividend yield – 0%. This method of valuation is believed to be the best approximation of fair value.

(2) Mr. Bentinck ceased to be President, Chief Executive Officer of the Corporation on September 5, 2017 and ceased to be a Director on October 1, 2017.

(3) Mr. Hussey ceased to be Vice President, Finance and President, Valleyfield Fertilizer Corp. on April 11, 2018. (4) Ms. Decher ceased to be CFO on August 10, 2017.

(5) Options were granted in 2016 and vest as follows: 1/3 on grant; 1/3 on the one year anniversary and 1/3 on the second year anniversary. The dollar value of the Option award is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility - 131%; risk-free interest rate - 1.04%; expected life - 7.5 years and dividend yield - 0%.

Employment and Consulting Agreements

The Corporation does not have any pension or other retirement plans currently in place.

Andrew Squires (Chief Executive Officer and President)

The Corporation entered into an employment agreement dated July 1, 2017 with Andrew Squires. Pursuant to the terms of the agreement, the Corporation has agreed to pay Mr. Squires \$20,000 per month for consideration for Mr. Squires acting as Chief Executive Officer and President and as a member of the Board. Mr. Squires is entitled to receive stock options and bonus payments as determined by the Board and the Corporation's Governance, Compensation and Nominating Committee from time to time. The agreement is for a two year period ending June 30, 2019, after which the agreement will automatically renew for successive one year terms. If the Agreement is terminated by the Corporation without cause or in the event of a Triggering Event (as defined below), then the Corporation will be required to pay Mr. Squires an amount equal to \$480,000. In the event of a Triggering Event or termination without cause, any options held by Mr. Squires under the Stock Option Plan shall immediately become vested and exercisable and Mr. Squires's options shall remain exercisable for the remainder of their term. A "Triggering Event" includes (i) a successful take-over bid of the Corporation by another entity, (ii) a change of control of the board of directors being the election by the Corporation's shareholders of less than a majority of directors put forward by the Corporation, (iii) the sale of substantially all of the assets of the Corporation, (iv) the sale, exchange or disposition of a majority of the outstanding Common Shares, (v) the termination of the Corporation's business or liquidation of its assets, or (vi) a merger or amalgamation where the Corporation's shareholders prior to such transaction hold less than 51% of the closing of the transaction.

R. Bruce Duncan (Executive Chairman)

The Corporation entered into an employment agreement dated July 1, 2017 with R. Bruce Duncan. Pursuant to the terms of the agreement, the Corporation has agreed to pay Mr. Duncan \$10,000 per month for consideration for Mr. Duncan acting as Executive Chairman of the Board of Directors. Mr. Duncan is entitled to receive stock options and bonus payments as determined by the Board and the Corporation's Governance, Compensation and Nominating Committee from time to time. The agreement is for a two year period ending June 30, 2019, after which the agreement will automatically renew for successive one year terms. If the Agreement is terminated by the Corporation without cause or in the event of a Triggering Event (as defined below), then the Corporation will be required to pay Mr. Duncan an amount equal to \$240,000. In the event of a Triggering Event or termination without cause, any options held by Mr. Duncan under the Stock Option Plan shall immediately become vested and exercisable and Mr. Duncan's options shall remain exercisable for the remainder of their term. A "Triggering Event" includes (i) a successful take-over bid of the Corporation by another entity, (ii) a change of control of the board of directors being the election by the Corporation's shareholders of less than a majority of directors put forward by the Corporation, (iii) the sale of substantially all of the assets of the Corporation, (iv) the sale, exchange or disposition of a majority of the outstanding Common Shares, (v) the termination of the Corporation's business or liquidation of its assets, or (vi) a merger or amalgamation where the Corporation's shareholders prior to such transaction hold less than 51% of the closing of the transaction.

Ross Phillips (Vice President, Chief Operating Officer and Chief Financial Officer)

The Corporation entered into an employment agreement dated December 5, 2011, as amended on November 27, 2012, with Ross Phillips. Pursuant to the terms of the agreement, the Corporation has agreed to pay Mr. Phillips a semi-monthly salary of \$7,500 plus the right to purchase 100,000 treasury shares of the Corporation at a price of \$0.25 per share in consideration for Mr. Phillips acting as the Corporation's Vice President, Chief Operating Officer. Effective as of January 1, 2013, Mr. Phillips' annual salary was increased to \$240,000. Additional options, bonuses or stock-based compensation may be granted annually as determined by the Board and the Corporation's Governance, Compensation and Nominating Committee from time to time based on the Corporation achieving pre-defined milestones. The agreement will continue in effect indefinitely or until terminated in accordance with the provisions thereof and may be terminated at any time by either party upon 30 days written notice. If the agreement is terminated by the Corporation without cause or, upon a change of control, if a change of control election is made, Mr. Phillips is entitled to receive a lump sum payment equal to 12 months' salary plus all cash bonuses paid to Mr. Phillips in the 12 months prior to the termination or change of control as applicable. Mr. Phillips is currently interim Chief Financial Officer.

Jay Hussey (Vice President, Finance and President, Valleyfield Fertilizer Corp.)

The Corporation entered into a consulting agreement, dated August 10, 2015, with Jay Hussey. Pursuant to the terms of the agreement, the Corporation has agreed to pay Mr. Hussey \$9,375 semi-monthly in consideration for Mr. Hussey acting as the Corporation's Vice President, Finance and President of its wholly-owned subsidiary, Valleyfield Fertilizer Corp. Additional options, bonuses or stock-based compensation may be granted annually as determined by the Board and the Corporation's Governance, Compensation and Nominating Committee from time to time based on the Corporation achieving pre-defined milestones. Effective January 1, 2017, the consulting agreement was modified to reduce the monthly retainer to \$15,000 for the months of January through to March 2017 and from August 2017 thereafter. The agreement will continue in effect indefinitely or until terminated in accordance with the provisions thereof and may be terminated at any time by either party upon 30 days written notice. If the agreement is terminated by the Corporation without cause or, upon a change of control, if a change of control election is made, Mr. Hussey is entitled to receive a lump sum payment equal to 12 months' salary plus all cash bonuses paid to Mr. Hussey in the 12 months prior to the termination or change of control as applicable. Mr. Hussey left the Company on April 11, 2018.

Termination and Change of Control Benefits

The entitlements of Named Executive Officers in connection with the termination of their employment are summarized above or in connection with a change of control are summarized below. See "Securities Authorized for Issuance Under Equity Compensation Plans" for a summary of the treatment of Options issued under the Stock Option Plan in connection with the termination of employment of a Named Executive Officer or in connection with a change of control.

Change of Control Benefits

For illustrative purposes, in accordance with Form 51-102F6, the following table sets out the amounts payable:

- a. if a Named Executive Officer had been terminated without just cause on December 31, 2017,
- b. if a Named Executive Officer had been terminated without just cause on December 31, 2017 following a "change of control" (based on the applicable multiple and the actual base salary and bonus received in 2017, the specified period for benefits and the actual benefits received in 2017 and the value of options vested as of such date (assuming accelerated vesting of all Options as a result of the change of control)), and
- c. if a Named Executive Officer had been terminated without just cause on December 31, 2017 following a "change of control" (based on the value of Options vested as of such date (assuming accelerated vesting of all options as a result of the change of control)).

Name	Involuntary termination without cause	Change of control and involuntary termination without cause	Change of control without involuntary termination but assuming accelerated vesting of Options
Andrew Squires Severance Option-based awards value vested Benefits	\$480,000 ⁽¹⁾ \$120,000 ⁽³⁾ \$5,756 ⁽²⁾	\$480,000 ⁽¹⁾ \$120,000 ⁽³⁾ \$5,756 ⁽²⁾	- \$120,000 ⁽³⁾ -
R. Bruce Duncan Severance Option-based awards value vested	\$240,000 ⁽¹⁾ \$82,500 ⁽³⁾	\$240,000 ⁽¹⁾ \$82,500 ⁽³⁾	- \$82,500 ⁽³⁾
Ross Phillips Severance Option-based awards value vested Benefits	\$240,000 ⁽¹⁾ \$72,000 ⁽³⁾ \$5,372 ⁽²⁾	\$240,000 ⁽¹⁾ \$72,000 ⁽³⁾ \$5,372 ⁽²⁾	- \$72,000 ⁽³⁾ -
Jay Hussey Severance Option-based awards value vested Benefits	\$195,000 \$18,000 ⁽³⁾ \$5,372 ⁽²⁾	\$195,000 \$18,000 ⁽³⁾ 5,372 ⁽²⁾	- \$18,000 ⁽³⁾ -

(1) Based on amounts disclosed in Employment and Consulting Agreements section.

(2) The actual amounts of perquisites for all Named Executive Officers have been disclosed in the Summary Compensation Table and it has been assumed that payment of these amounts would continue for 12 months.

(3) The value of Options (assuming accelerated vesting of all Options as a result of a change of control as provided or permitted for in the Option Plan) was calculated using the closing price of the Common Shares on the TSX on December 29, 2017 (as December 31, 2017 fell on a Sunday), which was \$0.13 per share, less the exercise price of the options.

Directors' Compensation

The following table sets forth the value of all compensation provided to the directors, not including those directors who are also Named Executive Officers, for the Corporation's financial year ended December 31, 2017.

Name and principal positions	Fees Earned (\$)	Share-based Awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
Bruce Duncan <i>Director, Chairman of the Board</i>	60,000	Nil	351,250 ⁽¹⁾⁽⁴⁾	Nil	Nil	Nil	411,250
Arthur Roth <i>Director</i>	18,818	Nil	116,250 ⁽²⁾⁽⁴⁾	Nil	Nil	Nil	135,068
Chris Reid <i>Director</i>	20,000	Nil	98,250 ⁽³⁾⁽⁴⁾	Nil	Nil	Nil	118,250
Robert C. Gross ⁽⁵⁾ <i>Director, Chairman of the Board</i>	13,200	Nil	Nil	Nil	Nil	Nil	13,200
Stephen Harapiak ⁽⁶⁾ <i>Director</i>	10,000	Nil	Nil	Nil	Nil	Nil	10,000

Notes:

- (1) Mr. Duncan was granted 500,000 options in July 2017 and 2,750,000 options in October 2017.
- (2) Mr. Roth was granted 250,000 options in July 2017 and 750,000 options in October 2017.
- (3) Mr. Reid was granted 150,000 options in July 2017 and 750,000 options in October 2017.
- (4) The dollar value of the Option award in July 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 121%; risk-free interest rate – 1.92%; expected life – 10 years and dividend yield – 0%. The dollar value of the Option award in October 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 119%; risk-free interest rate – 2.03%; expected life – 10 years and dividend yield – 0%.
- (5) Mr. Gross resigned as Director and Chairman of the Board of the Corporation on July 10, 2017.
- (6) Mr. Harapiak resigned as director of the Corporation on July 10, 2017.

Outstanding Option-based awards

The following table sets forth details of all awards outstanding for each director at the end of the most recently completed financial year.

Name and principal position	Option based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Option-based awards — Value of unexercised in-the-money Options (\$) ⁽¹⁾
Bruce Duncan <i>Director, Chairman of the Board</i>	500,000	\$0.19	July 13, 2027	Nil
	2,750,000	\$0.10	October 13, 2027	\$82,500
Arthur Roth <i>Director</i>	250,000	\$0.19	July 13, 2027	Nil
	750,000	\$0.10	October 13, 2027	\$22,500
Chris Reid <i>Director</i>	150,000	\$0.40	August 11, 2016	Nil
	150,000	\$0.19	July 13, 2027	Nil
	750,000	\$0.10	October 13, 2027	\$22,500
Robert C. Gross ⁽²⁾ <i>Director, Chairman of the Board</i>	400,000	0.04	November 27, 2025	\$36,000
	250,000	1.00	December 5, 2022	Nil

Name and principal position	Option based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Option-based awards — Value of unexercised in-the-money Options (\$) ⁽¹⁾
	150,000	0.40	August 11, 2026	Nil
Stephen Harapiak ⁽³⁾ <i>Director</i>	400,000	0.04	November 27, 2025	\$36,000
	250,000	1.00	December 5, 2022	Nil
	150,000	0.40	August 11, 2026	Nil

Notes:

(1) Calculated as the difference between the closing market price of the Common Shares on the TSX on December 29, 2017 (as December 31, 2017 fell on a Sunday) and the exercise price of the Options, multiplied by the number of vested, unexercised Options. The closing market price of the Common Shares on December 29, 2017 was \$0.13

(2) Mr. Gross resigned as Director and Chairman of the Board of the Corporation on July 10, 2017

(3) Mr. Harapiak resigned as director of the Corporation on July 10, 2017.

Incentive Plan Awards – Value vested or earned during the year

The following table sets forth the value vested or earned during the year of Option-based awards, share-based awards and non-equity incentive plan compensation paid to the Board of Directors during the most recently completed financial year.

Name and principal position	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 (\$)
Bruce Duncan <i>Director, Chairman of the Board</i>	351,250 ⁽¹⁾	Nil	Nil
Arthur Roth <i>Director</i>	116,250 ⁽¹⁾	Nil	Nil
Chris Reid <i>Director</i>	111,650 ⁽¹⁾⁽²⁾	Nil	Nil
Robert C. Gross ⁽³⁾ <i>Director, Chairman of the Board</i>	13,400 ⁽²⁾	Nil	Nil
Stephen Harapiak ⁽⁴⁾ <i>Director</i>	13,400 ⁽²⁾	Nil	Nil

Notes:

(1) Options were granted in July 2017 and October 2017. The dollar value of the Option award in July 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 121%; risk-free interest rate – 1.92%; expected life – 10 years and dividend yield – 0%. The dollar value of the Option award in October 2017 is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility – 119%; risk-free interest rate – 2.03%; expected life – 10 years and dividend yield – 0%.

(2) Mr. Reid, Mr. Gross and Mr. Harapiak were each granted 150,000 options in 2016 which vest as follows: 1/3 on grant; 1/3 on the one year anniversary and 1/3 on the second year anniversary. The dollar value of the Option award is estimated using the Black Scholes valuation model on the date of grant using the following assumptions: expected volatility - 131%; risk-free interest rate - 1.04%; expected life - 7.5 years and dividend yield - 0%.

(3) Mr. Gross resigned as Director and Chairman of the Board of the Corporation on July 10, 2017.

(4) Mr. Harapiak resigned as director of the Corporation on July 10, 2017.

Securities Authorized for Issuance Under Equity Compensation Plans

Pursuant to the Corporation's Stock Option Plan, the Corporation may grant Options for the purchase of Common Shares to any employee, executive officer, director or consultant of the Corporation or its subsidiaries. The purpose of the Stock Option Plan is to attract, retain and motivate directors, officers, employees and other services providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and to benefit from its growth.

The maximum number of Common Shares that may be issued under the Stock Option Plan shall not exceed 10% of the total number of Common Shares issued and outstanding from time to time. If any Option granted pursuant to the Stock Option Plan expires, is exercised, forfeited, terminated or otherwise lawfully cancelled for any reason whatsoever, the Common Shares issued or issuable thereunder are available again for an Option grant under the Stock Option Plan. The number of Common Shares issuable to insiders at any time under the Stock Option Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares and the number of Common Shares issued to insiders within any one-year period under the Stock Option Plan and all other security based compensation arrangements of the Corporation shall not exceed 10% of the issued and outstanding Common Shares.

The exercise price of the Options is fixed by the Board at the date of grant and may not be less than the "market price" on the date of the grant as determined in accordance with the Stock Option Plan and applicable stock exchange rules (generally being the closing sale price of such Common Shares on the TSX (or such other market on which the Common Shares are trading) on the last trading day immediately preceding the date of grant). Options vest at the discretion of the Board, which vesting schedule is generally fixed at the time of grant by the Board. Options granted under the Stock Option Plan may have a term of up to 10 years (subject to an extension of five business days following the expiry of a blackout period if the Option would otherwise expire during a blackout period). Options granted under the Stock Option Plan are not transferable or assignable, other than in the case of death as set out in the Stock Option Plan. The administration and operation of the Stock Option Plan may be delegated by the Board to a committee of the Board.

Unless otherwise permitted by the Board, if a participant is an officer, employee or consultant and the participant's relationship is terminated for cause, or if a participant is a non-employee director and the participant is removed or is not re-elected as a director, then all Options (whether vested or unvested) held by the participant as at the termination, removal or re-election failure date immediately expire.

Unless otherwise permitted by the Board, if a participant is an officer, employee or consultant and the participant's relationship is terminated other than for cause (including resignation or retirement) or if a participant is a non-employee director and the participant resigns as a director, then all unvested Options held by the participant as at the termination, resignation or retirement date immediately expire and all vested Options held by the participant on that date may be exercised until the earlier of (i) the expiry date of the vested Options and (ii) 90 days after the termination, resignation or retirement date, after which time all Options will expire.

Unless otherwise permitted by the Board, if a participant dies, the participant's legal representatives may exercise any Option held by the participant to extent that such Option was exercisable and had vested on the date of death, until the date that is the earlier of (i) the expiry date of the Option and (ii) the date that is one year after the date of death.

In the event of a change of control or if a take-over bid is made for all of the Common Shares, the Board may, in its sole and absolute discretion and if permitted by the TSX Company Manual and applicable securities laws, accelerate the vesting of all unvested Options such that such Options become immediately exercisable. The Board may also determine that any Options that remain unexercised shall terminate and cease to be exercisable upon the occurrence of a change of control.

The Stock Option Plan specifies the types of amendments to the provisions of the Stock Option Plan and any Options granted thereunder that will and will not require the approval of the Shareholders in order to be effective.

The Board may in its discretion amend, modify or otherwise change the Stock Option Plan, any Option agreement and any outstanding Option granted thereunder, in whole or in part, at any time without notice to or approval by the Shareholders (provided that, in the case of any action taken in respect of an outstanding Option, the participant's consent to such action shall be required unless the Board determines that the action would not materially and adversely affect the rights of such participant), for any purpose whatsoever, provided that all material amendments to the Stock Option Plan shall require the prior approval of

the Shareholders. Examples of the specific types of amendments that are not material and that the Board is entitled to make without Shareholder approval include, without limitation, the following: (i) to ensure continuing compliance with applicable laws, regulations, requirements, rules or policies of any governmental or regulatory authority or stock exchange; (ii) to make changes of a "housekeeping" nature, including amendments relating to the administration of the Stock Option Plan or to eliminate any ambiguity or correct or supplement any provision in the Stock Option Plan which may be incorrect or incompatible with any other provision thereof; (iii) to change the vesting and exercise provisions of the Stock Option Plan or any Option in a manner which does not entail an extension beyond the originally scheduled expiry date for any applicable Option, including to provide for accelerated vesting and early exercise of any Options deemed necessary or advisable in the Board's discretion; (iv) to change the termination provisions of the Stock Option Plan or any Option which, in the case of an Option, does not entail an extension beyond an Option's originally scheduled expiry date for that Option; (v) to add a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserve; (vi) to change the provisions on transferability of Options for normal estate settlement purposes; (vii) to change the process by which an Option holder who wishes to exercise his or her Option can do so, including the required form of payment for the Common Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; and (viii) to add a conditional exercise feature which would give participants the ability to conditionally exercise in certain circumstances determined by the Board in its discretion, at any time up to a date determined by the Board in its discretion, all or a portion of those Options granted to such participants which are then vested and exercisable in accordance with their terms, as well as any unvested Options which the Board has determined shall be immediately vested and exercisable in such circumstances.

In addition to such amendments as may require Shareholder approval under applicable laws, the approval of the Shareholders will be required for the following amendments, in each case unless the amendment results from the application of the anti-dilution provisions of the Stock Option Plan: (i) any amendment to the amendment provisions of the Stock Option Plan which is not an amendment within the nature of clauses (i) or (ii) in the paragraph above; (ii) any reduction in the exercise price of an outstanding Option (including a cancellation and re-grant of an Option, constituting a reduction of the exercise price of an Option) or extension of the period during which an Option may be exercised; (iii) any amendment to remove or exceed the Stock Option Plan limitations described herein; (iv) any amendment to expand the eligibility criteria and limits for participation applicable to non-employee directors under the Plan; and (v) any amendment to the provisions of this Plan that would permit Options to be transferred or assigned other than for normal estate settlement purposes.

Generally where the Stock Option Plan requires Shareholder approval, such approval must be obtained from a majority of the Shareholders present in person or by proxy entitled to vote at a duly called meeting of Shareholders. Only if required under applicable securities laws and regulatory requirements, will the votes cast by insiders of the Corporation be excluded from any such approval.

The Corporation is authorized, in its sole discretion, to provide financial assistance to participants for the purpose of exercising Options to acquire Common Shares under the Stock Option Plan, subject to applicable laws and the rules and policies of any securities regulatory authority, stock exchange or quotation system with jurisdiction over the Corporation or a trade in securities of the Corporation. Any financial assistance so provided is repayable with full recourse and the term of any such financial assistance cannot exceed the term of the Option to which the financial assistance applies.

As at May 8, 2018, the maximum number of Common Shares that may be issued under the Stock Option Plan was 18,854,581 representing 10% of the number of issued and outstanding Common Shares on that date. As at that date, the Corporation had issued under the Stock Option Plan Options to acquire up to 16,745,000 Common Shares (representing approximately 8.9% of the issued and outstanding Common Shares as of that date), leaving up to 2,109,581 Common Shares available for future grants under the Stock Option Plan (representing approximately 1.1% of the issued and outstanding Common Shares as of that date).

The annual burn rate with respect to the Stock Option Plan for 2015, 2016 and 2017 was 0%, 0.28% and 0.23%, respectively.

Outstanding Stock Options

The Corporation has granted a number of Options giving the holders thereof the right to purchase Common Shares. The following is a summary of Options which have been granted to directors, officers, employees or consultants as of December 31, 2017, which were exercisable, in whole or in part, subject to the terms of Option agreements.

Plan Category	Number of securities to be issued upon exercise of outstanding Options (#)	Weighted-average exercise price of outstanding Options (\$)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by security holders	13,595,000	\$0.19	5,121,867
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total			

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Corporation's directors or officers nor any of their respective associates is indebted to the Corporation or has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of any director or executive officer of the Corporation, any nominee to the Board, any Shareholder who beneficially owns, directly or indirectly, or exercises control or direction over 10% or more of the voting securities of the Corporation, or any other "informed person" (as such term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*), or any associate or affiliate of any informed person, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE

Overview

Corporate governance refers to the way the business and affairs of a reporting issuer are managed and relates to the activities of the Board of the Corporation, the members of whom are elected by and are accountable to the Shareholders. Corporate governance takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Corporation. The Board is committed to sound corporate governance practices that are both in the interest of its Shareholders and contribute to effective and efficient decision-making.

In June 2005, National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201") and National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") were adopted by the securities regulatory authorities in Canada. NP 58-201 establishes corporate governance guidelines which apply to all public companies and the Corporation has implemented its own corporate governance practices in light of these guidelines. NI 58-101 mandates the disclosure of corporate governance practices in accordance with Form 58-101F1, which disclosure is set out below.

Board of Directors

A majority of the current directors (three out of four) are independent within the meaning of NI 58-101, namely, Bruce Duncan, Arthur Roth and Chris Reid. Andrew Squires is not independent. Mr. Squires is the President, Chief Executive Officer and Chief Operating Officer of the Corporation. Bruce Duncan and Arthur Roth were appointed by Shareholders as directors on July 10, 2017 and Chris Reid was appointed by Shareholders as a director on June 1, 2016. The Board meets on a regular basis. The Corporation holds regularly scheduled Board meetings at least four times per year. Mr. Duncan, as Chairman, is responsible for chairing all meetings of the Board, providing leadership to the Board, managing the Board, acting as liaison between the Board and management and representing the Corporation to external groups.

The following table provides details regarding directorships held by the Corporation's directors in other reporting issuers or the equivalent thereof in foreign jurisdictions.

Name of Director	Name of Other Reporting Issuer	Stock Exchange
Chris Reid	Petrodorado Energy Ltd.	TSX-V
R. Bruce Duncan	Canada Carbon Inc. Canada Coal Inc. Evolving Gold Corp.	TSX-V TSX-V CSE
Richard Klue	Canada Coal Inc.	TSX-V

The following table provides details regarding the attendance record of each director for each meeting of the directors held during the year ended December 31, 2017. A total of 12 meetings were held during the year.

Name of Director	Number of Meetings Attended	Percentage of Meetings Attended
Bruce Duncan	3 of 3	100%
Andrew Squires	4 of 4	100%
Arthur Roth	3 of 3	100%
Chris Reid	11 of 12	92%
Robert Gross	9 of 9	100%
Stephen Harapiak	9 of 9	100%
Guy Bentinck	11 of 11	100%

Notes:

- (1) Mr. Squires was appointed to the Board on June 20, 2017 and again on June 26, 2017 after the Annual General Meeting.
- (2) Mr. Gross resigned as Director and Chairman of the Board of the Corporation on July 10, 2017.
- (3) Mr. Harapiak resigned as director of the Corporation on July 10, 2017.
- (4) Mr. Duncan and Mr. Roth were appointed to the Board of Directors on July 10, 2017.
- (5) Mr. Bentinck resigned as a Director on October 1, 2017.

The independent directors did not meet separately from the non-independent directors as a subcommittee of the Board over the course of 2017. The independent directors on each committee at times go "in camera" in their committee meetings and request that any non-independent directors and members of management who may be attending such meetings as guests excuse themselves. Accordingly, the Board believes that the committee meetings provide an adequate forum in which to facilitate open and candid discussion among the Corporation's independent directors. The Audit Committee met four times during 2017. The Technical, Environmental and Safety Committee received regular updates throughout 2017.

Board Mandate

The Board is responsible for the general supervision of the management of the business as well as for the oversight and review of the strategic planning process of the Corporation. The Board will discharge its responsibilities directly and through its committees, which consist of the Audit Committee, the Technical, Environmental and Safety Committee and the Governance,

Compensation and Nominating Committee. The Governance, Compensation and Nominating Committee is responsible for corporate governance issues. The Board meets regularly to review the business operations, corporate governance and financial results of the Corporation. A copy of the Charter of the Board is attached to this Circular as Appendix "A".

Position Descriptions

Chairman of the Board

The Chairman of the Board is Bruce Duncan. The Board has adopted a written position description for the Chairman of the Board, indicating that the Chairman is responsible for, among other things, chairing all meetings of the Board, promoting cohesiveness among the directors, promoting a thorough understanding of the duties and responsibilities of the directors, promoting the proper flow of information to the directors, acting as a liaison between the Board and management to promote open and constructive discussions between directors and management and presiding over meetings of the Corporation's Shareholders.

Chairman of the Audit Committee

Chris Reid is the Chairman of the Audit Committee. The Board has adopted a written position description for the Chairman of the Audit Committee, indicating that the Chairman of the Audit Committee is responsible for, among other things, chairing all meetings of the committee, promoting cohesiveness among members of the committee, promoting a thorough understanding of the duties and responsibilities of the committee, promoting the proper flow of information to the committee, acting as the liaison between the committee and each of the Corporation's management, the internal auditor and external auditor, promoting open and constructive discussions between members of the committee, management, the internal auditor and the external auditor and reporting to the Board on the activities of the committee.

Chairman of the Governance, Compensation and Nominating Committee

The Board has adopted a written position description for the Chairman of this committee, indicating that the Chairman of the Governance, Compensation and Nominating Committee is responsible for, among other things, chairing all committee meetings, promoting cohesiveness among members of the committee, promoting a thorough understanding of the duties and responsibilities of the committee, promoting the proper flow of information to the committee, acting as the liaison between the committee and each of the Corporation's management, compensation consultants and other outside advisors, promoting open and constructive discussions between members of the committee, management, compensation consultants and other outside advisors and reporting to the Board on the activities of the committee. Both Mr. Roth and Mr. Klue have held senior management positions with large corporations, where they were responsible for managing and administering compensation programs for senior management and employees.

Chief Executive Officer

The Board has adopted a position description for the Chief Executive Officer whose primary role is to take overall supervisory and managerial responsibility for the day-to-day operations of the Corporation's business and manage the Corporation in order to achieve the goals and objectives determined by the Board in the context of the Corporation's strategic plan. The Chief Executive Officer's position description sets forth responsibilities including, but not limited to: (i) fostering a corporate culture that promotes ethical practices and encourages individual integrity; (ii) maintaining a positive and ethical work climate that is conducive to attracting, retaining and motivating top-quality employees at all levels; (iii) developing a long-term strategy and vision for the Corporation that leads to the creation of Shareholder value; (iv) developing an annual operating plan and financial budget that support the Corporation's long-term strategy; (v) strategy and implementation for major mergers, acquisitions and divestitures; (vi) designing or supervising the design and implementation of effective disclosure and internal controls; (vii) formulating and overseeing the implementation of major corporate policies; (viii) serving as the chief spokesperson for the Corporation and establishing the Corporation's communications framework and strategy; and (ix) ensuring that the Corporation has an effective management team and has an active plan for its development and succession.

Orientation and Continuing Education

The Corporation has established a formal orientation process for new directors. Before their first Board meeting, new directors are provided with a tour of the Corporation's significant project sites. They are also provided with a Board member manual that includes the by-laws, articles of incorporation, minutes of meetings, significant corporate policies, list of Board committees and mandates, a project overview and strategic plan, a list of Board members and their contact information, the latest financial statements and the current budget/forecast of the Corporation. This material is supplemented by a meeting between the new director and management to discuss the nature and operations of the Corporation. The new director is also introduced to all current Board members. The Chairman and lead director, if any, are responsible for ensuring that the new director understands his or her responsibilities as a member of the Board and any committees that they may join and ensuring that directors maintain the skill and knowledge necessary to meet their obligations as directors.

Ethical Business Conduct

The Corporation has adopted a code of ethics and business practices (the "**Code**"). A copy of the Code is obtainable from the Corporation's website at www.potashridge.com and is also be available at www.sedar.com under the Corporation's profile. The Board intends that it will review compliance with the Code on an annual basis until the Corporation has grown to a size that warrants more frequent monitoring.

The Code requires that any transactions and agreements in respect of which a director or executive officer has a material interest be reviewed and approved solely by disinterested members of the Governance, Compensation and Nominating Committee.

Governance, Compensation and Nominating Committee

The Corporation's Governance, Compensation and Nominating Committee is comprised of Chris Reid, Art Roth and Richard Klue, and is responsible for, among other things, making recommendations regarding appropriate compensation for the Corporation's directors and executive officers, developing and recommending to the Board a set of corporate governance principles applicable to the Corporation, overseeing the evaluation of the Board and senior management and identifying individuals qualified to become Board members. Chris Reid, Art Roth and Richard Klue are independent within the meaning of NI 58-101. Accordingly, the committee will be able to ensure an objective process in determining compensation. Management is being compensated based on current competitive rates. On a going-forward basis, the Governance, Compensation and Nominating Committee will review peer group practices when determining compensation for senior management.

Compensation

The Board, with the assistance of the Governance, Compensation and Nominating Committee, is responsible for reviewing the compensation of members of the Board to ensure that compensation realistically reflects the responsibilities and risks involved in being a director and for reviewing the compensation of members of senior management to ensure that compensation is competitive within the industry and aligns the interests of such individual with those of the Corporation.

Nomination of Directors

The Board, with the assistance of the Governance, Compensation and Nominating Committee, is responsible for the nomination of directors. The Governance, Compensation and Nominating Committee identifies the individuals qualified to become new directors and recommends to the Board new nominees for election by Shareholders or for appointment by the Board to fill any vacancy on the Board. In making its recommendations to the Board, the committee considers: (i) the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competencies and skills that the Board considers each existing director to possess; and (iii) the competencies and skills each new nominee would bring to the boardroom.

Director Term Limits and Other Mechanisms of Board Renewal

The Corporation does not impose fixed term limits on directors. The Board does not believe it should establish term limits. While the Board acknowledges the benefit of fresh ideas and viewpoints, it encourages means of ensuring Board renewal other than the imposition of arbitrary thresholds, given the value of the contribution of directors who have been able to develop, over a period of time, increasing insight into the Corporation and its operations and, therefore, provide an increasing contribution to the Board as a whole. The Board's assessment of the contributions of individual directors in accordance with the process established for evaluation of effectiveness of directors is a more meaningful way to make determinations about whether a director should be removed due to under-performance.

Representation of Women on the Board and in Executive Officer Appointments

The Board has not adopted a written policy relating to the identification and nomination of women to the Board or to executive officer positions and does not have a target for the number of women in these roles. As of the date of this Circular, there are currently no female directors (zero of four directors, 0%) and no female executive officers (zero of four executives, 0%). The Board believes that nominations should be evaluated on the basis of competencies and skills of individual nominees being evaluated and does not believe that quotas or targets necessarily will result in the identification or selection of the best nominees for director or executive officer positions. While the Corporation is mindful of the benefit of diversity in the workplace and on the Board, the Corporation is of the view that adopting targets regarding the representation of women on the Board or in executive officer positions could compromise its ability to be responsive to the needs of the Board or the Corporation which may arise over time, particularly in light of the Corporation's recent cost reduction initiatives.

Technical, Environmental and Safety Committee

The Corporation has established a Technical, Environmental and Safety Committee whose purpose is to assist Board oversight of technical, environmental and safety matters with respect to: (i) the planning, development and construction of the Corporation's major capital projects; (ii) material technical commercial arrangements; and (iii) the development, implementation and monitoring of all health, safety, environmental and social responsibility policies and programs of the Corporation. The members of the Technical, Environmental and Safety Committee are Richard Klue, Arthur Roth and Andrew Squires.

Audit Committee

The Audit Committee is comprised of Chris Reid (Chairman of the Audit Committee), Arthur Roth and Richard Klue. Each member of the Audit Committee is financially literate within the meaning of National Instrument 52-110 *Audit Committees* ("NI 52-110"). In addition, each member is independent within the meaning of NI 52-110. The Annual Information Form contains additional information about the Audit Committee, including the full text of the Audit Committee Charter. The Annual Information Form is available on SEDAR at www.sedar.com.

Board Assessments

The Board is responsible for reviewing, on an annual basis, the requisite competencies and skills of prospective members of the Board as well as the composition of the Board as a whole. In 2013, the Governance, Compensation and Nominating Committee implemented an assessment process which assessment includes each member's contribution, qualification as an independent director, as well as diversity, skills and experience in the context of the needs of the Board.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

Directors' and officers' liability insurance has been purchased for the benefit of all of the directors and officers of the Corporation, to indemnify them against any liability incurred by them in their capacity as directors and officers, subject to certain limitations under applicable law. The premium for such insurance in the most recently completed fiscal year was approximately \$47,000, which was paid by the Corporation. The aggregate insurance coverage obtained under the policy is

\$25,000,000, for all losses, with a deductible per occurrence of \$25,000. This coverage was implemented by the Corporation in November 2012 when the Corporation became a reporting issuer.

The Corporation has agreed to indemnify each of its directors and officers in respect of certain liabilities and expenses which such directors and officers may incur as a result of acting as a director or officer of the Corporation or its related corporate entities. The indemnity agreements include an indemnification for all costs, charges, expenses, losses, damages, fees (including any legal, professional or advisory fees or disbursements), liabilities and amounts paid to settle or dispose of any civil, criminal or administrative proceeding. The Corporation believes it carries sufficient directors' and officers' insurance to cover any potential claims for indemnity.

ADDITIONAL INFORMATION

A copy of this Circular has been sent to each director of the Corporation, to each Shareholder entitled to receive notice of the Meeting and to the auditors of the Corporation. Copies of this Circular and the Corporation's Annual Information Form, Audited Consolidated Financial Statements and management's discussion & analysis related thereto, for the fiscal year ended December 31, 2017, may be obtained on SEDAR at www.sedar.com or free of charge upon written request to the Secretary of the Corporation at 82 Richmond Street East, Toronto, Ontario, M5C 1P1. Financial information relating to the Corporation is included in the comparative Audited Consolidated Financial Statements for the fiscal year ended December 31, 2017 and management's discussion & analysis related thereto, for the fiscal year ended December 31, 2017. Additional information relating to the Corporation may be found on SEDAR at www.sedar.com.

APPROVAL BY DIRECTORS

The contents of this Circular and the sending thereof to the Shareholders have been approved by the Board of the Corporation.

Dated May 8, 2018

(Signed) Andrew Squires
President, Chief Executive Officer, Chief Operating Officer
and Director

APPENDIX A

POTASH RIDGE CORPORATION CHARTER OF THE BOARD OF DIRECTORS

1. PURPOSE AND RESPONSIBILITY OF THE BOARD

By approving this Charter, the Board explicitly assumes responsibility for the stewardship of Potash Ridge Corporation (the "**Corporation**") and its business. This stewardship function includes responsibility for the matters set out in this Charter, which form part of the Board's statutory responsibility to manage or supervise the management of the Corporation's business and affairs.

2. REVIEW OF CHARTER

The Board shall review and assess the adequacy of this Charter annually and at such other times as it considers appropriate and shall make such changes as it considers necessary or appropriate.

3. DEFINITIONS AND INTERPRETATION

3.1 Definitions

In this Mandate:

- (a) "Board" means the board of directors of the Corporation;
- (b) "CEO" means the Corporation's chief executive officer;
- (c) "Chair" means the chair of the Board;
- (d) "Charter" means this charter, as amended from time to time;
- (e) "Corporation" means Potash Ridge Corporation;
- (f) "Director" means a member of the Board;
- (g) "OBCA" means the *Business Corporations Act* (Ontario); and
- (h) "Stock Exchanges" means, at any time, the Toronto Stock Exchange and any other stock exchange on which any securities of the Corporation are listed for trading at the applicable time.

3.2 Interpretation

This Charter is subject to and shall be interpreted in a manner consistent with the Corporation's articles, by-laws, the OBCA and any other applicable legislation.

CONSTITUTION OF THE BOARD

4. ELECTION AND REMOVAL OF DIRECTORS

4.1 Number of Directors

The Board shall consist of such number of Directors as the Board may determine from time to time, within the range set out in the Corporation's articles of incorporation at such time.

4.2 Election of Directors

Directors shall be elected by the shareholders annually for a one year term, but if Directors are not elected at any annual meeting, the incumbent directors shall continue in office until their successors are elected.

4.3 Vacancies

The Board may appoint a member to fill a vacancy which occurs in the Board between annual elections of Directors, to the extent permitted by the OBCA.

4.4 Ceasing to Be a Director

A Director will cease to hold office upon:

- (i) delivering a resignation in writing to the Corporation (or at such later date as may be specified in the resolution);
- (ii) being removed from office by an ordinary resolution of the shareholders at a special meeting;
- (iii) his or her death; or
- (iv) becoming disqualified from acting as a Director under the OBCA.

5. **CRITERIA FOR DIRECTORS**

5.1 Qualifications of Directors

Every Director shall be an individual who is at least 18 years of age, has not been determined by a court to be of unsound mind and does not have the status of bankrupt.

5.2 Residency

At least one-quarter of the Directors shall be resident Canadians.

5.3 Officers as Directors

At least one-third of the Directors shall not be officers or employees of the Corporation or any of its affiliates.

5.4 Independence of Directors

At least a majority of the Directors shall be independent for the purposes of all applicable regulatory and Stock Exchange requirements.

5.5 Other Criteria

The Board may establish other criteria for Directors as contemplated in this Charter.

6. **BOARD CHAIR**

6.1 Board to Appoint Chair

The Board shall appoint a Chair who may or may not be independent. If the Board appoints a Chair that is not independent, the Board shall also appoint an independent lead Director.

6.2 Chair to Be Appointed Annually

The Board shall appoint the Chair annually at the first meeting of the Board after a meeting of the members at which Directors are elected. If the Board does not so appoint a Chair, the Director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

6.3 Position Description

Having regard to the recommendations of the Governance, Compensation and Nominating Committee, the Board shall adopt a position description for the Chair.

7. REMUNERATION OF DIRECTORS AND RETAINING ADVISORS

7.1 Remuneration

Members of the Board and the Chair shall receive such remuneration for their service on the Board as the Board may determine from time to time, in consultation with the Compensation Committee of the Board.

7.2 Retaining and Compensating Advisors

Each Director shall have the authority to retain outside counsel and any other external advisors from time to time as appropriate with the approval of the chair of the Governance, Compensation and Nominating Committee.

MEETINGS OF THE BOARD

8. MEETINGS OF THE BOARD

8.1 Time and Place of Meetings

Meetings of the Board shall be called and held in the manner and at the location contemplated in the Corporation's by-laws.

8.2 Frequency of Board Meetings

Subject to the Corporation's by-laws, the Board shall meet at least four times per year on a quarterly basis.

8.3 Quorum

In order to transact business at a meeting of the Board at least a majority of Directors then in office shall be present.

8.4 Secretary of the Meeting

The Chair shall designate from time to time a person who may, but need not, be a member of the Board, to be Secretary of any meeting of the Board.

8.5 Right to Vote

Each member of the Board shall have the right to vote on matters that come before the Board.

8.6 Invitees

The Board may invite any of the Corporation's officers, employees, advisors or consultants or any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board.

9. **IN CAMERA SESSIONS**

9.1 In Camera Sessions of Non-Management Directors

In connection with each meeting of the Board, the non-management Directors shall meet without any member of management being present (including any Director who is a member of management).

9.2 In Camera Sessions of Independent Directors

To the extent that non-management Directors include Directors who are not independent Directors as contemplated in this Charter, the independent Directors shall meet at the conclusion of each meeting of the Board with only independent Directors present.

DELEGATION OF DUTIES AND RESPONSIBILITIES OF THE BOARD

10. **DELEGATION AND RELIANCE**

10.1 Delegation to Committees

The Board may establish and delegate to committees of the Board any duties and responsibilities of the Board which the Board is not prohibited by law from delegating. However, no committee of the Board shall have the authority to make decisions which bind the Corporation, except to the extent that such authority has been specifically delegated to such committee by the Board.

10.2 Requirement for Certain Committees

The Board shall establish and maintain the following committees of the Board, each having mandates that incorporate all applicable legal and Stock Exchange listing requirements and with such recommendations of relevant securities regulatory authorities and Stock Exchanges as the Board may consider appropriate:

- (a) Audit Committee;
- (b) Governance, Compensation and Nominating Committee; and
- (c) Technical, Environmental and Safety Committee.

10.3 Composition of Committees

The Board will appoint and maintain in office members of each of its committees such that the composition of each such committee is in compliance with listing requirements of the Stock Exchanges and with such recommendations of relevant securities regulatory authorities and Stock Exchanges as the Board may consider appropriate and having regard to the recommendations of the Governance, Compensation and Nominating Committee with respect to such matters.

10.4 Review of Charters

On an annual basis, the Board will review the recommendations of the Governance, Compensation and Nominating Committee with respect to the charters of each committee of the Board. The Board will approve those changes to the charters that it determines are appropriate.

10.5 Delegation to Management

- (a) General. Subject to the Corporation's articles and by-laws, the Board may designate the offices of the Corporation, appoint officers, specify their duties and delegate to them powers to manage the business and affairs of the Corporation, except to the extent that such delegation is prohibited under the OBCA or limited by the articles or by-laws of the Corporation or by any resolution of the Board or policy of the Corporation.
- (b) CEO Position Description. Having regard to recommendations of the Governance, Compensation and Nominating Committee, and in consultation with the CEO, the Board shall adopt a position description for the CEO which sets out the overall corporate goals and objectives that the CEO is responsible for meeting, taking into consideration goals and obligations relevant to CEO compensation approved by the Governance, Compensation and Nominating Committee.

10.6 Position Descriptions

Having regard to recommendations of the Governance, Compensation and Nominating Committee, the Board shall adopt position descriptions for the chairs of each committee.

10.7 Reliance on Management

The Board is entitled to rely in good faith on the information and advice provided to it by the Corporation's management.

10.8 Reliance on Others

The Board is entitled to rely in good faith on information and advice provided to it by advisors, consultants and such other persons as the Board considers appropriate.

10.9 Oversight

The Board retains responsibility for oversight of any matters delegated to any committee of the Board or to management.

DUTIES AND RESPONSIBILITIES

11. DUTIES OF INDIVIDUAL DIRECTORS

11.1 Fiduciary Duty and Duty of Care

In exercising his or her powers and discharging his or her responsibilities, a Director shall:

- (a) act honestly and in good faith with a view to the best interests of the Corporation; and
- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

11.2 Compliance with OBCA and Constatng Documents

A Director shall comply with the OBCA and the regulations to the OBCA as well as with the Corporation's articles and by-laws.

11.3 Compliance with the Corporation's Policies

A Director shall comply with all policies of the Corporation applicable to members of the Board as approved by the Board.

12. **RESPONSIBILITIES OF DIRECTORS**

12.1 Responsibilities Set out in Charter

A Director shall review and participate in the work of the Board necessary in order for the Board to discharge the duties and responsibilities set out in accordance with the Charter.

12.2 Orientation and Education

A Director shall participate in the orientation and continuing education programs developed for the Directors.

12.3 Meeting Preparation and Attendance

In connection with each meeting of the Board and each meeting of a committee of the Board of which the Director is a member, a Director shall:

- (a) review thoroughly the material provided to the Director by management in connection with the meeting, provided that such review is practicable in view of the time at which such material was delivered to the Director; and
- (b) attend each meeting in person to the extent practicable (unless the meeting is scheduled to be held by phone or video-conference).

12.4 Assessment

A Director shall participate in such processes as may be established by the Board for assessing the Board, its committees and individual Directors.

12.5 Other Responsibilities

A Director shall perform such other functions as may be delegated to that Director by the Board or any committee of the Board from time to time.

13. **BOARD RESPONSIBILITY FOR SPECIFIC MATTERS**

13.1 Responsibility for Specific Matters

The Board explicitly assumes responsibility for the matters set out below, recognizing that these matters represent in part responsibilities reflected in requirements and recommendations adopted by applicable securities regulators and the Stock Exchanges and do not limit the Board's overall stewardship responsibility or its responsibility to manage or supervise the management of the Corporation's business and affairs.

13.2 Delegation to Committees

Whether or not specific reference is made to committees of the Board in connection with any of the matters referred to below, the Board may direct any committee of the Board to consider such matters and to report and make recommendations to the Board with respect to these matters.

14. CORPORATE GOVERNANCE GENERALLY

14.1 Governance Practices and Principles

The Board shall be responsible for developing the Corporation's approach to corporate governance.

14.2 Governance Principles

- (a) **Governance Principles.** The Board shall review and approve, if appropriate, a set of governance principles and guidelines appropriate for the Corporation (the "**Governance Principles**") having regard to the recommendations of the Governance, Compensation and Nominating Committee.
- (b) **Amendments.** The Board shall review the Governance Principles at least annually and shall adopt such changes to the Governance Principles as it considers necessary or desirable from time to time having regard to the recommendations of the Governance, Compensation and Nominating Committee.

14.3 Governance Disclosure

- (a) **Approval of Disclosure.** The Board shall approve disclosure about the Corporation's governance practices in any document before it is delivered to the Corporation's shareholders or filed with securities regulators or with the Stock Exchanges having regard to the recommendations of the Governance, Compensation and Nominating Committee.
- (b) **Determination that Differences Are Appropriate.** If the Corporation's governance practices differ from those recommended by Canadian securities regulators or the Stock Exchanges, the Board shall consider these differences and why the Board considers them to be appropriate having regard to the recommendations of the Governance, Compensation and Nominating Committee.

14.4 Delegation to Governance, Compensation and Nominating Committee

The Board may direct the Governance, Compensation and Nominating Committee to consider the matters contemplated in this Section 14 and to report and make recommendations to the Board with respect to these matters.

15. RESPONSIBILITIES RELATING TO MANAGEMENT

15.1 Integrity of Management

The Board shall, to the extent feasible, satisfy itself:

- (a) as to the integrity of the CEO and other executive officers; and
- (b) that the CEO and other executive officers create a culture of integrity throughout the organization.

15.2 Succession Planning

- (a) **General.** The Board shall be responsible for succession planning, including appointing, training and monitoring senior management.
- (b) **CEO Succession.** The Board shall:
 - (i) adopt policies and principles for CEO selection and performance review with respect to successors to the CEO; and

- (ii) policies regarding succession in the event of an emergency or the retirement of the CEO.

15.3 CEO Goals and Objectives

The Board shall receive recommendations of the Governance, Compensation and Nominating Committee and with respect to the corporate goals and objectives that the CEO is responsible for meeting and shall approve those goals and objectives as appropriate.

15.4 Executive Compensation Policy

The Board shall receive recommendations of the Governance, Compensation and Nominating Committee and make such determinations as it considers appropriate with respect to:

- (a) CEO's compensation level;
- (b) non-CEO officer compensation;
- (c) director compensation;
- (d) incentive-compensation plans; and
- (e) equity-based plans.

16. OVERSIGHT OF THE OPERATION OF THE BUSINESS

16.1 Risk Management

Taking into account the reports of management and such other persons as the Board may consider appropriate, the Board shall identify the principal risks of the Corporation's business and satisfy itself as to the implementation of appropriate systems to manage these risks.

16.2 Strategic Planning Process

The Board shall adopt a strategic planning process and shall approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the Corporation's business.

16.3 Internal Control and Management Information Systems

The Board shall review the reports of management and the Audit Committee concerning the integrity of the Corporation's internal control and management information systems. Where appropriate, the Board shall require management (overseen by the Audit Committee as appropriate) to implement changes to such systems to ensure integrity of such systems.

16.4 Communications Policy and Feedback Process

- (a) The Board shall adopt a communication policy for the Corporation for communicating with shareholders, the investment community, the media, governments and their agencies, employees and the general public, having regard to the recommendations of the Governance, Compensation and Nominating Committee. Such policy shall be developed with reference to requirement recommendations of applicable securities laws and Stock Exchanges. The Board shall consider, among other things, the recommendations of management and the Governance, Compensation and Nominating Committee with respect to this policy.
- (b) The Board shall establish a process pursuant to which the Board can receive feedback from securityholders.

16.5 Financial Statements

- (a) The Board shall receive as required reports from the Audit Committee with respect to the integrity of the Corporation's financial reporting system and its compliance with all regulatory requirements relating to financial reporting.
- (b) The Board shall review the recommendation of the Audit Committee with respect to the annual financial statements of the Corporation to be delivered to shareholders. If appropriate, the Board shall approve such financial statements.

16.6 Capital Management

The Board shall receive as required reports from management on the structure and management of the Corporation's capital.

16.7 Pension Plan Matters

If applicable, the Board shall receive and review reports from management and from the Governance, Compensation and Nominating Committee covering administration, investment performance, funding, financial impact, actuarial reports and other pension plan related matters.

16.8 Code of Business Conduct and Ethics

- (a) Adoption of Code. The Board will adopt a Code of Business Conduct and Ethics for the Corporation having regard to the recommendations of the Governance, Compensation and Nominating Committee. In adopting this code, the Board will consider the recommendations of the Governance, Compensation and Nominating Committee concerning its compliance with applicable legal and Stock Exchange listing requirements and with such recommendations of relevant securities regulatory authorities and Stock Exchanges as the Board may consider appropriate.
- (b) Compliance and Disclosure. The Board will direct the Governance, Compensation and Nominating Committee to monitor compliance with the Code of Business Conduct and Ethics and recommend disclosures with respect thereto. The Board will consider any report of the Governance, Compensation and Nominating Committee concerning these matters, and will approve, if determined appropriate, the disclosure of the Code of Business Conduct and Ethics.
- (c) Waivers. The Board shall consider any report of the Governance, Compensation and Nominating Committee with respect to any waiver granted to a director or senior officer of the Corporation from complying with the Code of Business Conduct and Ethics and shall approve or reject such request as it deems appropriate.

17. NOMINATION OF DIRECTORS

17.1 Nomination and Appointment of Directors

- (a) The Board shall nominate individuals for election as directors by the shareholders, having regard to the recommendations of the Governance, Compensation and Nominating Committee.
- (b) The Board shall adopt a process (having regard to the recommendations of the Governance, Compensation and Nominating Committee) pursuant to which the Board shall:
 - (i) consider what competencies and skills the Board, as a whole, should possess;
 - (ii) assess what competencies and skills each existing Director possesses;

- (iii) consider the personality and other qualities of each Director; and
- (iv) consider the appropriate size of the Board, with a view to facilitating effective decision-making.

18. BOARD EFFECTIVENESS

18.1 Position Descriptions

The Board shall review and, if determined appropriate, approve the recommendations of the Governance, Compensation and Nominating Committee concerning formal position descriptions for:

- (a) the Chair of the Board and for the Chair of each committee of the Board; and
- (b) the CEO.

18.2 Director Orientation and Continuing Education

The Board shall review and, if determined appropriate, approve the recommendations of the Governance, Compensation and Nominating Committee concerning:

- (a) an orientation program for new Directors; and
- (b) a continuing education program for all Directors.

18.3 Board, Committee and Director Assessments

The Board shall adopt a process having regard to the recommendation of the Governance, Compensation and Nominating Committee for assessing the performance and effectiveness of the Board as a whole, the committees of the Board and the contributions of individual Directors on an annual basis.

18.4 Annual Assessment of the Board

Each year, the Board shall assess its performance and effectiveness and review this Charter in accordance with the process established by the Governance, Compensation and Nominating Committee.