

GAR LIMITED

MANAGEMENT INFORMATION CIRCULAR

May 26, 2015

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GAR LIMITED

288 Kenogami Lane, Box 122, Swastika, Ontario P0K 1T0

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual General Meeting (“**Meeting**”) of the shareholders of GAR Limited (the “**Corporation**” or “**GAR**”) will be held on Friday July 10, 2015, at 10:00 a.m. (Toronto time) at the offices of Capital Transfer Agency, Inc. at 121 Richmond Street West, Suite 401, Toronto, Ontario M5H 2K1 for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the year ended January 31, 2014 and the auditors’ report thereon;
2. to elect directors;
3. to appoint auditors for the ensuing year and to authorize the directors to fix their remuneration;
4. to confirm the existing stock option plan of the Corporation, all as further set forth in the management information circular of the Corporation dated November 14, 2013 (the “**Circular**”)
5. to transact such further and other business as may properly be brought before the meeting or any adjournment thereof.

The Board of Directors has fixed May 26, 2015 as the Record Date for the determination of shareholders entitled to notice of, and to vote at, this Annual General Meeting and any adjournment thereof. Accompanying this Notice of Meeting are the following documents: a Management Information Circular, dated as at May 26th, 2015, Audited Annual Financial Statements for the Year Ended January 31, 2014, Form of Proxy, a Supplemental Mailing List Reply Form and a return envelope.

An “ordinary resolution” is a resolution passed by at least a majority of the votes cast by Shareholders who voted in respect of that resolution at the Meeting. A “special” resolution is a resolution passed by at least 66 2/3% of the votes cast by Shareholders who voted in respect of that resolution at the Meeting. The nature of the business to be transacted at the Meeting is described in further detail in the Circular under the section entitled The Particulars of Matters to be Acted Upon.

Notice-and-Access

The Corporation is utilizing the notice-and-access mechanism (the “Notice-and-Access Provisions”) that came into effect on February 11, 2013 under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 – Continuous Disclosure Obligations, for distribution of Meeting materials to registered and beneficial Shareholders.

Website Where Meeting Materials are Posted

The Notice-and-Access Provisions are a new set of rules that allows reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“SEDAR”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the Circular, financial statements of the Corporation for the year ended January 31, 2014 (“Financial Statements”) and management’s discussion and analysis of the Corporation’s results of operations and financial condition

for 2014 (“MD&A”) may be found on the Corporation’s SEDAR profile at www.sedar.com and also on the Corporation’s website at www.zenyatta.ca under News. The Corporation will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular.

Obtaining Paper Copies of Materials

The Corporation anticipates that using notice-and-access for delivery to all Shareholders will directly benefit the Corporation through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about notice-and-access can call the Corporation’s transfer agent Capital Transfer Agency Inc. (“Capital Transfer”) toll-free at 1.800.631.0940. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by contacting Capital Transfer at the same toll-free number or upon request to the Corporation’s Corporate Secretary. A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation or Capital Transfer, as applicable, by Wednesday, July 8, 2015 in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof (the “Proxy Deadline”).

Voting

All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy. A “beneficial” or “non-registered” Shareholder will not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her/its broker; however, a beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the common shares in that capacity. Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting in person, or any adjournments or Postponements thereof, are requested to complete, date and sign the enclosed form of proxy (registered holders) or voting instruction form (beneficial holders) and return it in the envelope provided. To be effective, the enclosed form of proxy or voting instruction form must be mailed or faxed so as to reach or be deposited with Capital Transfer Agency Inc. (in the case of registered holders) at 121 Richmond Street, West, Suite 401, Toronto, Ontario M5H 2K1, Fax Number: 416.350.5008, prior to the Proxy Deadline, failing which such votes may not be counted, or your intermediary (in the case of beneficial holders) with sufficient time for them to file a proxy by the Proxy Deadline.

SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.

Dated in Toronto, Ontario this 26th day of May, 2015.

BY ORDER OF THE BOARD

“*John Rapski*” (signed) President and Chief Executive Officer
GAR Limited

GAR LIMITED

288 Kenogami Lane, Box 122, Swastika, Ontario P0K 1T0

MANAGEMENT INFORMATION CIRCULAR

For the Annual General Meeting of Shareholders to be held on July 10, 2015

PART 1 – VOTING & GENERAL PROXY INFORMATION

SOLICITATION OF PROXIES

The information contained in this management information circular (the “**Circular**”) is furnished to the holders of common shares of **GAR Limited** (the “**Corporation**” or “**GAR**”) in connection with the solicitation by management of the Corporation of proxies to be voted at the Annual General Meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) to be held at 10:00am (Toronto time) on Friday July 10, 2015 at the offices of Capital Transfer Agency, Inc. at 121 Richmond Street West, Suite 401, Toronto, Ontario M5H 2K1 for the purposes set forth in the accompanying Notice of Annual General Meeting (the “**Notice of Meeting**”) and at any adjournment thereof. Unless otherwise stated the information provided in this Circular is provided as of May 26, 2015.

The solicitation of proxies is made on behalf of the management of the Corporation. Such solicitation will be made primarily by mail, but proxies may be solicited personally or by telephone by directors and officers of the Corporation, who will not be remunerated therefore. The costs incurred in the preparation and mailing of the form of proxy, Notice of Meeting and this Circular will be borne by the Corporation. The cost of the solicitation will also be borne by the Corporation.

The Corporation’s board of directors (the “**Board**”) has fixed the close of business on May 26, 2015 as the record date, being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting (the “**Record Date**”).

APPOINTMENT OF PROXYHOLDERS

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. **A Shareholder has the right to appoint, as proxy holder or alternate proxy holder, a person, persons or a Corporation (who need not be a Shareholder) to represent such Shareholder at the Meeting, other than any of the persons designated in the enclosed form of proxy, and may do so either by inserting the name of his chosen nominee in the space provided for that purpose on the form and striking out the other names on the form, or by completing another proper form of proxy.**

Please note that Shareholders who receive their Meeting Materials (as defined in the “Advice to Beneficial Shareholders” section below) from Broadridge Investor Communication Solutions, Canada (“**Broadridge**”) must return the proxy forms, once voted, to Broadridge for the proxy to be dealt with.

DEPOSIT OF PROXY

An appointment of a proxy holder or alternate proxy holders, by resolution of the directors duly passed, **WILL NOT BE VALID FOR THE MEETING OR ANY ADJOURNMENT THEREOF UNLESS IT IS DEPOSITED WITH THE CORPORATION'S TRANSFER AGENT, CAPITAL TRANSFER AGENCY INC., NOT LATER THAN 48 BUSINESS HOURS PRECEDING THE DAY OF THE MEETING OR ANY ADJOURNMENT THEREOF**, or deposited with the Chairman of the Meeting or any adjournment thereof prior to the commencement thereof. A return envelope has been included with this material.

REVOCAION OF PROXIES

A Shareholder who has given a proxy ("**Proxy**") may revoke the Proxy:

- (a) by depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing:
 - (i) with Capital Transfer Agency Inc., not less than 48 business hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used;
 - (ii) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the Proxy is to be used;
 - (iii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof;or
- (b) in any other manner provided by law.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

EXERCISE OF DISCRETION

A Shareholder forwarding the enclosed form of Proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the Proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The common shares in the capital of the Corporation (the "**Common Shares**") represented by the Proxy submitted by a Shareholder will be voted or withheld from voting in accordance with the instructions, if any, of the Shareholder on any ballot that may be called for. If the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly by the Proxy.

In the absence of such direction in respect of a particular matter, such Common Shares will be voted in favour of such matter. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.

As of the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. However, if any such amendments, variations or other matters which are not now known to the management of the Corporation should properly come before the Meeting, the Common Shares represented by the Proxies hereby solicited will be voted thereon in accordance with the best judgment of the person or persons voting such Proxies.

All of the matters that will come to a vote at the meeting as described in the attached Notice of Meeting, with the exception of the resolutions noted below are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

The debt settlement resolution to insiders (“**Debt Settlement Resolution**”) (as defined and the full text of which is set out herein) requires an approval of disinterested shareholders – that is, the shares to be issued in settlement of the debts summarized above must be approved by a majority of the votes cast by shareholders voting at the meeting, excluding votes attaching to shares beneficially owned by the Creditors and their respective associates.

Only registered holders of Common Shares of the Corporation or the persons they appoint as their proxies are permitted to vote at the Meeting. Many Shareholders are “non-registered” Shareholders (“**Non-Registered Shareholders**”) because the Common Shares they own are not registered in their names but are instead either (i) registered in the name of an intermediary (the “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, brokerage firms, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Circular, the Audited Annual Financial Statements and the enclosed form of proxy (collectively the “**Meeting Materials**”) to Intermediaries and clearing agencies for onward distribution to Non-Registered Shareholders of Commons Shares.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. A Non-Registered Shareholder who has not waived the right to receive the Meeting Materials will either be given:

- (a) a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service Corporation** in accordance with the directions of the Intermediary, will constitute voting instructions which the Intermediary must follow; or
- (b) a form of Proxy **which has already been signed by the Intermediary** (typically a facsimile signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. This form of Proxy does not require the Intermediary to sign when submitting the Proxy. In this case the Non-Registered Shareholder who wishes to submit a Proxy should properly complete the form of Proxy and **deposit it with the Corporation, care of Capital Transfer Agency Inc., located at 121 Richmond St. West, Suite 401, Toronto, Ontario, M5H 2K1.**

In either case, the purposes of these procedures are to permit the Non-Registered Shareholder to direct the voting of the Common Shares that the Non-Registered Shareholder beneficially owns. Should a Non-Registered Shareholder wish to attend and vote at the Meeting in person, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert his or her name in the space provided for the purpose on the voting instructions form and return it in accordance with the directions of the Intermediary.

The Non-Registered Shareholder should carefully follow the instructions of his or her Intermediary, including those regarding when and where the Proxy or voting instructions form is to be delivered.

A Non-Registered Shareholder may revoke a Proxy or voting instructions form given to an Intermediary by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of Proxies. In order to ensure that an Intermediary acts upon a revocation of a Proxy or voting instruction form, the written notice should be received by the Intermediary well in advance of the Meeting.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation presently consists of an unlimited number of Common Shares. As of May 26, 2015, the Corporation has issued and outstanding 11,698,630 fully paid and non-assessable Common Shares. All of the outstanding Common Shares are entitled to be voted at the Meeting and each shareholder of record will be entitled to one (1) vote for each Common Share held at the Meeting.

The Record Date for the Meeting is May 26, 2015. Each holder of Common Shares is entitled to one vote for each Common Share shown as registered in such holder's name on the list of Shareholders prepared as of the close of business on May 26, 2015 with respect to all matters to be voted on at the Meeting.

However, in the event of a transfer of Common Shares by any such holder after such date, the transferee is entitled to vote those Common Shares if such transferee produces a certificate in his or her name or properly endorsed share certificates or otherwise establishes that such transferee owns the Common Shares, and requests, not later than ten days before the Meeting, that the Corporation's transfer agent, Capital Transfer Agency Inc., include the transferee's name in the list of Shareholders entitled to vote at the Meeting.

To the knowledge of the directors and senior officers of the Corporation, as at May 26, 2015 no person beneficially owns, directly or indirectly, or exercises control over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Corporation other than as follows:

Name	Number of Shares	Percentage of Total Issued and Outstanding Common Shares
John Rapski. ⁽¹⁾	5,720,000	48.889%
CDS & Co. ⁽²⁾	1,682,005	14.378%
2158879 Ontario Limited. ⁽³⁾	1,296,200	11.080%

Notes:

- (1) John Rapski is the President and Chief Executive Officer of Gar Limited and owns 92.12% of 2158879 Ontario Limited.
- (2) The Corporation is not aware of the beneficial ownership of the Common Shares held by this Intermediary.
- (3) 2158879 Ontario Limited is owned 92.12 % by .J. Rapski. J. Rapski has a 10.21% indirect interest in Gar Limited..

PART 3 – EXECUTIVE COMPENSATION

Unless otherwise stated, "Dollars" or "\$" means Canadian dollars.

COMPENSATION DISCUSSION AND ANALYSIS

This section of the Circular explains how the Corporation's executive compensation program is designed and operated with respect to the Corporation's named executive officers ("NEOs"). The following individuals were NEO's for any part of the most recently completed financial year: the individual who acted as the Corporation's Chief Executive Officer ("CEO") and the individual who acted as the Corporation's Chief Financial Officer ("CFO").

The following disclosure sets out the compensation that the Board intended to pay, make payable, award, grant give or otherwise provide to each NEO and director for the financial year ended January 31, 2014.

The Corporation had no executive officers whose total salaries and bonuses during the fiscal year ended January 31, 2014 exceeded \$150,000.

This section identifies the objectives and material elements of compensation awarded to the NEOs and the reasons for the compensation. For a complete understanding of the executive compensation program, this Compensation Discussion and Analysis should be read in conjunction with the Summary Compensation Table and other executive compensation-related disclosure included in this Circular.

The Corporation does not currently have a Compensation Committee. The Board of Directors as a whole is responsible for the compensation program for the Corporation's Named Executive Officers. The Corporation expects to have a Compensation Committee in place in the near future.

The philosophy of the Board with respect to remuneration is to determine compensation for the Corporation's executive officers relative to the performance of the Corporation in executing on its objectives. The Board has the responsibility for, among other things, establishing, reviewing and approving incentive plans and programs and awards under compensation and incentive plans and programs for the CEO, CFO and senior officers, with the intention of attracting, retaining and appropriately rewarding officers in order to motivate their performance in the achievement of the Corporation's business objectives and aligning their interest with the long-term interests of the shareholders of the Corporation.

The Board is responsible for establishing and monitoring the Corporation's long range plans and programs for attracting, retaining, developing and motivating employees. The Board also reviews recommendations for the appointment of persons to senior executive positions, considers terms of employment including succession planning and matters of compensation.

The service of the Corporation's CEO is provided through an unwritten agreement between the Corporation and the CEO that includes a monthly fee arrangement.

The service of the Corporation's CFO is provided through an unwritten agreement between the Corporation and the CFO that includes a monthly fee arrangement.

Stock Options

The Corporation has adopted an incentive stock option plan. The Corporation's compensation policies and programs are designed to recognize and reward executive performance consistent with the success of the Corporation's business.

The granting of options to the Named Executive Officers under the Corporation's Stock Option Plan provides an appropriate long-term incentive to management to create shareholder value. The number of options the Corporation grants to each Named Executive Officer reasonably reflects the Named Executive Officer's specific contribution to the Corporation in the execution of such person's responsibilities. However, the number of options granted does not depend upon nor does it reflect the fulfillment of any specific performance goals or similar conditions. Previous grants of options to Named Executive Officers are taken into consideration by the Board of Directors in developing its recommendations with respect to the granting of new options. No options were granted to the Named Executive Officers during the year ended January 31, 2014.

The granting of options to the non-management Directors of the Corporation under the Corporation's Stock Option Plan provides an appropriate long-term incentive to these Directors to provide proper independent oversight to the Corporation with a view to maximizing shareholder value. The number of options the Corporation grants to each of these Directors reasonably reflects each Director's contributions to the Corporation in his capacity as a Director and as a member of one or more committees of the Board (if applicable), including without limitation the Audit Committee. Previous grants of options awarded to the independent Directors of the Corporation are taken into consideration when the Corporation considers the granting of new options to the independent Directors. No options were granted to the Corporation's independent Directors during the year ended January 31, 2014.

The Corporation currently does not pay director fees to its independent Directors. Following the meeting, the Board of Directors will consider whether the payment of such fees is appropriate at the relevant time.

NAMED EXECUTIVE OFFICERS

The CEO, President and Director at the end of the most recently completed financial year-end was John Rapski. The CFO at the end of the most recently completed financial year-end was Wm. Andrew Campbell CA/CPA. Other than as disclosed above, at the end of the most recently completed fiscal year, the Corporation had no Named Executive Officers.

OBJECTIVES OF THE COMPENSATION PROGRAM

The objectives of the Corporation's executive compensation program are to attract and retain the key executives necessary for the Corporation's long term success; to encourage executives to further the development of the Corporation and its operations; to motivate qualified and experienced executives; to reward individual contributions in light of overall business results and to align the interests of the executives with the interests of the shareholders. The key element of the current executive compensation program is base salary.

ELEMENTS OF EXECUTIVE COMPENSATION

In the future, it is intended that Total Direct Compensation will be represented by the combined value of fixed compensation and performance-based variable incentive compensation, comprised of a base salaries, short-term incentive in the form of an annual cash bonus, and long-term incentives in the form of stock options. Currently, only base salary is used in administering Total Direct Compensation.

Base Fees

Base Fees form an essential component of the Corporation's compensation strategy as they are key to the Corporation remaining competitive, are fixed and therefore not subject to uncertainty, and can be used as the base to determine other elements of compensation and benefits.

Short-term Incentives

Currently the Corporation does not have a bonus plan.

Long-term Incentives

Currently the Corporation does have a stock option plan. During the financial year ended January 31, 2014 however, the Corporation did not grant any incentive stock options.

The Board of Directors believes that the future granting of stock options to officers, directors, and consultants will encourage retention and more closely aligns the interests of such key personnel with the interests of shareholders while at the same time not drawing on the limited cash resources of the Corporation. The Corporation will not utilize a set of formal objective measures to determine long-term incentive entitlements, rather, long-term incentive grants, such as stock options, to NEOs will be determined in a discretionary manner on a case by case basis.

In future, the dollar value to be ascribed to option to the NEO's and Directors shall be estimated using the Black-Scholes Model as at the date of grant.

Stock Options

The Corporation has been inactive in the past ten years and has therefore not granted any stock options. It is the intention of the Corporation to commence the granting of stock options on an annual basis in the future.

Other Compensation

Currently the Corporation does not have any other forms of compensation.

HOW THE CORPORATION DETERMINES COMPENSATION**The Role of Management**

Management has direct involvement in and knowledge of the business goals, strategies, experiences and performance of the Corporation. As a result, management plays an important role in the compensation decision-making process.

Corporate Performance

In the future, it is the intention that the Corporation's Board will approve annual corporate objectives in line with the Corporation's key longer-term strategies for growth and value creation. These quantitative and qualitative objectives will then be utilized by the Board as a reference when making compensation decisions.

Individual Performance

In the future, the Board intends to approve annual individual performance objectives for the NEOs that are intended to align with the corporate objectives and reflect key performance areas for each executive relative to his or her specific role.

SUMMARY COMPENSATION TABLE

There are no formal arrangements with the CEO or CFO with respect to compensation. No salary is paid to the CEO however, a monthly consulting fee is paid to the CEO and the CFO for managerial services. No targets have been set for bonuses, stock options or other remuneration.

Summary Compensation Table for the Financial Year Ended January 31, 2014

The following table sets forth the total compensation paid in respect to the NEOs of the Corporation during the fiscal year ended January 31, 2014.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
John Rapski, President & CEO ⁽¹⁾	2014	Nil	Nil	Nil	Nil	Nil	Nil	28,000	28,000
	2013	Nil	Nil	Nil	Nil	Nil	Nil	18,000	18,000
	2012	Nil	Nil	Nil	Nil	Nil	Nil	12,000	12,000
Wm. Andrew Campbell, CFO ⁽²⁾	2014	Nil	Nil	Nil	Nil	Nil	Nil	18,000	18,000
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Walter Krystia ⁽³⁾	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Compensation to Mr. Rapski has been accrued and remains payable as at the date of this report by way of a debt settlement transaction as proposed in part 4 of this Circular.
- (2) Mr. Campbell was appointed CFO effective October 16, 2013.
- (3) Mr. Krystia resigned as CFO effective October 16, 2013.

LONG TERM INCENTIVE PLAN

Long-term incentive plans (“LTIPs”) means any plan providing compensation intended to serve as an incentive for performance to occur over a period longer than one financial year, whether performance is measured by reference to financial performance of an issuer or an affiliate of an issuer, or the price of the issuer’s shares, but does not include option or stock appreciation rights plans or plans for compensation through restricted shares or units. The Corporation currently has no LTIPs in place.

STOCK APPRECIATION RIGHTS

Stock appreciation rights (“SARs”) means a right, granted by an issuer or any of its subsidiaries as compensation for services rendered or in connection with an office or employment, to receive a payment of cash or an issue or transfer of securities based wholly or in part on changes in the trading price of the issuer’s shares. The Corporation currently has no SARs in place.

Outstanding Option-Based Awards as at January 31, 2014

The Corporation currently has no outstanding stock-option based awards in place.

Name and principal Position	Option-based Awards					Share-based Awards		
	Grant Date	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
As appointed	N/A	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Wm. Andrew Campbell, CFO ⁽¹⁾	N/A	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes: (1) Mr. Campbell was appointed as CFO effective October 16, 2013.

Incentive Plan Awards – Value Vested or Earned During the Year Ended January 31, 2014

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. The Corporation currently has no outstanding stock-option based awards in place.

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
John Rapski, President & CEO	Nil	Nil	Nil
Wm. Andrew Campbell, CFO ⁽¹⁾	Nil	Nil	Nil

Notes: (1) Mr. Campbell was appointed as CFO effective October 16, 2013.

Pension Plan Benefits

The Corporation does not currently have any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

Currently, there are no agreements in place which provide for a payment to an NEO in the event that the NEO is terminated other than for cause, or in the event that a triggering event associated with a change of control of the Corporation occurs.

COMPENSATION OF DIRECTORS

Director Compensation

The Corporation currently has three directors, two of which were NEO's for the recently completed fiscal year ended January 31, 2014.

For a description of the compensation paid to the Corporation's NEO who also acts as a director, see "Summary Compensation Table".

The Corporation has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Corporation or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year, except as disclosed in the table below.

The following table sets forth the compensation awarded, paid to or earned by the directors of the Corporation during the most recently completed fiscal year ended January 31, 2014. Directors of the Corporation that are also officers or employees of the Corporation are not compensated for service on the Board of Directors, therefore no fees are payable to John Rapski or Wm. Andrew Campbell CA/CPA for his service as a director of the Corporation.

DIRECTOR COMPENSATION TABLE

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

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Walter Krysta	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rob Pengally	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dennis LaFreniere	Nil	Nil	Nil	Nil	Nil	Nil	Nil

DIRECTOR OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

There are currently no share-based awards or option-based awards held by directors of the Corporation that were granted or that vested during the year ended January 31, 2014.

In the future, the Corporation plans to grant incentive share purchase Options to directors, senior officers and employees as an incentive for their participation in the growth of the Corporation.

CHANGE IN RESPONSIBILITIES AND EMPLOYMENT CONTRACTS

For the year ended January 31, 2014, Mr. John Rapski, as President, Chief Executive Officer and Director of the Corporation, agreed to provide managerial and strategic services with respect to the day to day operations of the Corporation, however, he does not have an employment contract. For the year ended January 31, 2014, Mr. Wm. Andrew Campbell C/CPA, as Chief Financial Officer and Director of the Corporation, agreed to provide managerial and strategic services with respect to the day to day finances of the Corporation. The Board does not currently compensate Mr. Campbell nor does he have an employment contract.

PART 4 - THE PARTICULARS OF MATTERS TO BE ACTED UPON

FINANCIAL STATEMENTS

The following documents are filed with the securities commissions, are specifically incorporated by reference into, and form an integral part of, the Information Circular and a copy of which is included with this Information Circular:

- (a) audited financial statements of GAR for the year ended January 31, 2014 with comparative figures for the year ended January 31, 2013;
- (b) auditors' report thereon; and
- (c) management discussion and analysis for the fiscal year ended January 31, 2014.

Additional copies of these documents incorporated by reference herein may be obtained by a shareholder upon request without charge from the Secretary of the Corporation. These documents are also available on the internet through SEDAR, which can be accessed at www.sedar.com.

ELECTION OF DIRECTORS

The articles of the Corporation provide that the Board shall consist of a minimum of three and a maximum of nine directors. The Corporation currently has five directors. The number of directors of the Corporation proposed to be elected at the Meeting shall remain as five being J. Rapski, Wm. Andrew Campbell CA/CPA., Walter Krystia, Robert Pengally, and Dennis Lafreniere. The term of office of the current directors will end at the conclusion of the Meeting. Unless a director's office is earlier vacated in accordance with the provisions the *Business Corporations Act* (Ontario), each director will hold office until the conclusion of the next annual meeting of the Corporation or, if no director is then elected, until a successor is elected.

The following table sets out the names of management's nominees for election as directors at the Meeting, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Corporation, the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at May 26, 2015, and the number of options to purchase Common Shares of the Corporation held by each as at May 26, 2015.

Name and Residence	Principal Occupation	Director Since	Number Common Shares Held or Beneficially Owned⁽³⁾	Number Options to purchase Common Shares⁽²⁾⁽³⁾
John Rapski Ontario, Canada	President and CEO of the Corporation	July 16, 1997	5,720,000	Nil
Walter Krystia ⁽¹⁾ Ontario, Canada	Retired professor of business at Ryerson University	July 16, 1997	Nil	Nil
Wm. Andrew Campbell Ontario, Canada	CFO of the Corporation	Nominee	525,000	Nil
Robert Pengally ⁽²⁾ Ontario, Canada	Director	Nominee	Nil	Nil
Dennis Lafreniere Ontario, Canada	Director	Nominee	Nil	Nil

Notes:

- (1) Member of the Audit Committee.
- (2) There are no outstanding stock options granted by the Corporation.

Information as to ownership of shares has been taken from the list of registered shareholders maintained by Capital Transfer Agency, Inc. or has been provided by the individuals.

John Rapski, age 67, is the President, CEO and a director of the Corporation. Mr. Rapski has been employed on a full time basis since his appointment and received a Bachelor of Environmental Studies degree from The University of Waterloo in 1972.

Walter Krystia, age 67, is the former CFO and a current director of the Corporation, having resigned his position on October 16, 2013. Mr. Krystia is a retired professor of business at Ryerson University in Toronto and is currently providing business consulting and advisory services to small business entities.

Wm. Andrew Campbell, age 67, is the CFO of the Corporation. Mr. Campbell is a chartered accountant and has been an auditor of numerous public mining companies since 1996.

Robert Pengally, age 31 has run a niche software development company for the last 10 years focusing on data analysis and visualization. He has help build web applications for industry leading companies. Rob is a strong advocate of open-source software and has contributed to many projects over the years. Robert received a B.Sc (Hons) in Computer Science from Ryerson University.

Dennis Lafreniere, age 55, is President of 2158879 Ontario Ltd, an Exploration Stage Enterprise exploring in the Abitibi Region of Ontario. Mr. Lafreniere is a full status, Canadian and American Indian and a heavy equipment operator working in the mining industry.

Cease Trade Orders or Bankruptcy

Each of two of the current directors John Rapski and Walter Krystia were party to a cease trade order imposed by the Ontario Securities Commission (the "OSC") on June 24, 1998, British Columbia Securities Commission (the "BCSC") on October 23, 1998, and the Alberta Securities Commission (the "ASC") on August 6, 1998, due to the failure of the Corporation to file its audited annual financial statements for the fiscal year ended January 31, 1998, unaudited interim financial statements for the three month period ended April 30, 1998, and unaudited interim financial statements for the six month period ended July 31, 1998.

On October 2, 2013, the ASC granted an order fully revoking the cease trade order issued by the ASC. On October 1, 2013, the BCSC granted an order fully revoking the cease trade order issued by the BCSC. On September 20, 2013, the OSC granted an order fully revoking the cease trade order issued by the OSC. Save for certain historical continuous disclosure materials, the Corporation has been exempted from filing pursuant to the Revocation Order, the Corporation has filed all continuous disclosure materials required to be filed pursuant to National Instrument 51-102. These materials are available under the Corporation's SEDAR profile at www.sedar.com.

Other than the Order, no director or executive officer is, as at the date of this Information Circular, or was within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any Corporation, that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
- (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that

occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

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

Personal Bankruptcies

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

Recommendation

Management recommends that shareholders vote in favour of the nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the seven nominees as directors of GAR for the ensuing year.**

APPOINTMENT AND REMUNERATION OF AUDITORS

Shareholders are requested by management to approve a resolution to appoint Ross Pope LLP, Chartered Accountants, as auditors of the Corporation until the next annual meeting of Shareholders and to authorize the directors to fix their remuneration. Ross Pope LLP has been appointed as auditors of the Corporation on May 5, 2015. The Previous auditor McCarney Greenwood LLP resigned during the year and were first appointed auditors of Corporation on March 17, 2011.

Recommendation

Management recommends that shareholders vote in favour of the appointment of Ross Pope LLP, Chartered Accountants as GAR's auditor for the ensuing year and in favour of granting the Board of Directors the authority to determine the auditor's remuneration. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Ross Pope LLP to act as auditor of GAR until the close of our next annual meeting and also intend to vote FOR the proposed resolution authorizing the Board of Directors to fix the auditor's remuneration.**

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at January 31, 2014:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c) ⁽¹⁾⁽²⁾
Equity compensation plans approved by security holders	(1)Nil	Nil	Nil
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total:	Nil	Nil	Nil

Notes:

- (1) As at January 31, 2014 there were no options outstanding and no warrants outstanding.
- (2) The Corporation's stock option plan for the year ended January 31, 2013 permits the Corporation to reserve 200,000 common shares for future issuance of the Corporation's issued and outstanding Common Shares (See "Approval of 2013 Stock Option Incentive Plan" (management information circular dated: December 20, 2013). As at January 31, 2014, the Corporation had a total of 9,378,630 Common Shares issued and outstanding. As at January 31, 2014 there were no stock options outstanding. There was therefore an aggregate of 937,630 Common Shares available for future issuance under exercise of stock options granted pursuant to the stock option plan.

PART 6 – AUDIT COMMITTEE

National Instrument 52-110 - *Audit Committees* ("NI 52-110") requires the Corporation to disclose annually in its management information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth below.

Audit Committee Composition

The Corporation is required to have an audit committee comprised of not less than two directors. The Corporation's Audit Committee currently consists of: Robert Pengelly and Walter Krystia as chair, both are considered independent.

Audit Committee Charter

The Corporation's audit committee is governed by an audit committee charter, the text of which is attached as "**Schedule A**" to this Information Circular.

Relevant Education and Experience

Mr. Krystia is a retired professor of business at Ryerson University in Toronto and is currently providing business consulting and advisory services to small business entities.

Mr. Pengally runs a niche software development company for the last 10 years focusing on data analysis and visualization.

Independence

NI 52-110 provides that a member of an audit committee is “independent” if the member has no direct or indirect material relationship with the issuer, which could, in the view of the issuer’s board of directors, reasonably interfere with the exercise of the member’s independent judgment. It is the intention that following this annual meeting, that the Audit Committee will have a majority of independent directors.

Financial Literacy

NI 52-110 provides that an individual is “financially literate” if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements. Each member of the audit committee is financially literate.

Audit Committee Oversight

Since the commencement of the Corporation’s most recently completed financial year, the audit committee of the Corporation has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board of the Corporation.

Reliance on Certain Exemptions

Since the commencement of the Corporation’s most recently completed financial year, the Corporation has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

Pre-Approval Policies and Procedures

The audit committee has not adopted any specific policies and procedures for the engagement of non audit services.

Audit Fees

The following table sets forth the fees paid by the Corporation and its subsidiaries to McCarney Greenwood LLP, Chartered Accountants in 2013 and 2012 for services rendered in the last two fiscal years:

	<u>2014</u>	<u>2013</u>
Audit fees	\$10,000	\$7,500
Audit-Related Fees.....	-	-
Tax Fees	-	-
All other fees	-	-
Total	<u>\$10,000</u>	<u>\$7,500</u>

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

PART 7 – CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 of the Canadian Securities Administrators has set out a series of guidelines for effective corporate governance (the “**Guidelines**”). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members.

The Corporation’s Board of Directors has reviewed the Corporation’s current corporate governance practices with reference to the applicable provisions of National Instrument 58-101 and has compiled the following analysis in respect of the Corporation’s 2013 financial year:

CORPORATE GOVERNANCE DISCLOSURE	GAR PRACTICE
1. Board of Directors	
Disclose how the board of directors (the board) facilitates its exercise of discretion over management, including:	
(i) the identity of directors that are independent, and	For the recently completed fiscal year, one of the three current directors of the Corporation are “independent”; as such term is used within National Instrument 52-110. The independent member of the Board is George Mara.
(ii) the identity of directors who are not independent, and the basis for that determination.	By virtue of his position as President & Chief Executive Officer of the Corporation, John Rapski is not independent. By virtue of his position as Chief Financial Officer of the Corporation during the year ended January 31, 2013, Walter Krystia is not independent. Walter Krystia resigned as Chief Financial Officer on October 16, 2013.
2. Directorships	
In the last fiscal year if a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer. Information as to various directorships has been taken from insider profiles/reports filed by the individuals and available through the Internet on the System for Electronic Disclosure by Insiders (SEDI), or has been provided by the individuals.	Not applicable.
3. Orientation and Continuing Education	
Describe what steps, if any, the board takes to orient new board members, and describe any measures the board takes to provide continuing education for directors.	While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent financial statements, prospectuses, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation’s business and the procedures of the

CORPORATE GOVERNANCE DISCLOSURE	GAR PRACTICE
	Board. In addition, new directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation.
4. Ethical Business Conduct	
Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.	Each director is required to disclose fully to the Board any material interest such director may have in any transaction contemplated by the Corporation. In the event that a director discloses a material interest in a proposed transaction, the Corporation's independent directors will review the nature and terms of the proposed transaction in order to ascertain and confirm that it is being considered on commercially reasonable and arm's-length terms. The Board does not currently have any policies and plans to adopt formal policies in the future.
5. Nomination of Directors Disclose what steps, if any, are taken to identify new candidates for board nomination, including:	
(i) who identifies new candidates, and	The Board performs the functions of a nominating committee with responsibility for the appointment and assessment of directors. The Board believes that this is a practical approach at this stage of the Corporation's development and given the relatively small size of the Board.
(ii) the process of identifying new candidates	While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with business knowledge and a particular knowledge of mineral exploration and development or other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Corporation. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.
6. Compensation	
Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:	
(i) who determines compensation, and	The Board reviews on an annual basis the adequacy and form of compensation of officers and directors to ensure that the compensation of the Board and management reflects the responsibilities, time commitment and risks involved in being an effective member of the Corporation. A more detailed description of Compensation can be found in the Compensation Discussion and Analysis section of this Circular.
(ii) the process of determining compensation	Currently, as the Corporation has no ongoing revenues from operations, the directors of the Corporation do not receive any fees in their capacities as directors.

CORPORATE GOVERNANCE DISCLOSURE	GAR PRACTICE
7. Other Board Committees	
If the Board has standing committees other than the compensation, audit and nominating committees, describe their function	The Board does not currently have any committees other than the Audit Committee.
8. Assessments	
Disclose what steps, if any, that the Board takes to satisfy that the Board, its committees and its individual directors and performing effectively.	The Board assesses, on an annual basis, the contributions of the Board as a whole and each of the individual directors, in order to determine whether each is functioning effectively.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the most recently completed financial year ended January 31, 2014, and as at the date of this Circular, no director, executive officer or employee or former director, executive officer or employee of GAR, nor any nominee for election as a director of GAR, nor any associate of any such person, was indebted to GAR or any of its subsidiaries during the most recently completed financial year ended January 31, 2014 for other than “routine indebtedness”, as that term is defined by applicable law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by GAR or any of its subsidiaries.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set out in Part 4 “Matters to be Acted On” regarding the Debt Settlement Resolution, no (a) director or executive officer of GAR who has held such position at any time since the beginning of GAR’s last financial year (b) proposed nominee for election as a director of GAR; or (c) associate or affiliate of a person in (a) or (b) 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.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set out in Part 4 “Matters to be Acted On” regarding the Debt Settlement Resolution, no proposed nominee for election as a director, and no director or officer of GAR or any of its subsidiaries who has served in such capacity since the beginning of the last financial year of GAR, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of GAR’s outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with GAR since the beginning of the last completed financial year, or in any proposed transaction, that has materially affected GAR or any of its subsidiaries, or is likely to do so.

OTHER MATTERS

Management of GAR is not aware of any other matters to come before the meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about GAR in our audited annual financial statements and management discussion and analysis for the year ended January 31, 2014, which are included with this Information Circular. Additional copies may be obtained without charge upon request to us at 288 Kenogami Lane, Box 122, Swastika, Ontario P0K 1T0. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

CERTIFICATE OF APPROVAL OF DIRECTORS

The Board of Directors of GAR Limited has approved the contents of this Information Circular, the Proxy form, the Notice of Meeting and accompanying material and its distribution to each shareholder entitled to receive same.

DATED the 26th day of May, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

(signed)

“John Rapski”
President and CEO
GAR Limited

GAR LIMITED

SCHEDULE "A"

ANNUAL MANDATE OF THE AUDIT COMMITTEE

GAR LIMITED

ANNUAL MANDATE OF THE AUDIT COMMITTEE

1. General

The board of directors (the “Board”) of GAR Limited (the “Corporation”) has delegated the responsibilities, authorities and duties described below to the audit committee (the “Audit Committee”). For the purpose of these terms of reference, the term “Corporation” shall include the Corporation and its subsidiaries.

The Audit Committee shall be directly responsible for overseeing the accounting and financial reporting processes of the Corporation and audits of the financial statements of the Corporation, and the Audit Committee shall be directly responsible for the appointment, compensation, and oversight of the work of any registered external auditor employed by the Corporation (including resolution of disagreements between management of the Corporation and the external auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

2. Members

The Audit Committee shall be composed of a minimum of three members. The quorum at any meeting of the Audit Committee is a majority of its members. Members of the Audit Committee shall be appointed by the Board. Each member shall serve until such member’s successor is appointed, unless that member resigns or is removed by the Board or otherwise ceases to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than three directors. The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership. The Chair shall not have a second, or casting, vote. The Chair of the Committee shall be responsible for overseeing the performance by the Committee of its duties, for assessing the effectiveness of the Committee and individual Committee members and for reporting periodically to the Board.

All members of the Audit Committee must satisfy the independence, financial literacy and experience requirements of applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules. In particular the majority of members shall be “independent” and “financially literate” within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

3. Meetings

The Audit Committee shall meet at least quarterly at such times and at such locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and related management discussion and analysis. Notice of every meeting shall be given to the external auditor, who shall, at the expense of the Corporation, be entitled to attend and to be heard thereat. The external auditor or any member of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold in camera sessions of the Audit Committee, without management present, at every meeting. The external auditor and management employees of the Corporation shall, when required by the Audit Committee, attend any meeting of the Audit Committee. The Audit Committee shall submit the minutes of all meetings to the Board, and when requested to, shall discuss the matters discussed at each Audit Committee meeting with the Board.

4. Committee Charter

The Committee shall have a written charter that sets out its mandate and responsibilities and the Committee shall review and assess the adequacy of such charter and the effectiveness of the Committee at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board for its approval. Unless and until replaced or amended, this mandate constitutes that charter.

5. Duties of the Audit Committee:

a. General

The overall duties of the Committee shall be to:

- i. assist the Board in the discharge of its duties relating to the Corporation's accounting policies and practices, reporting practices and internal controls;
- ii. establish and maintain a direct line of communication with the Corporation's external auditor and assess their performance;
- iii. oversee the work of the external auditor, which shall be responsible to report directly to the Audit Committee, including resolution of disagreements between management and the external auditor regarding financial reporting;
- iv. ensure that management has designed, implemented and is maintaining an effective system of internal controls and disclosure controls and procedures;
- v. monitor the credibility and objectivity of the Corporation's financial reports;
- vi. report regularly to the Board on the fulfillment of the Audit Committee's duties;
- vii. assist, with the assistance of the Corporation's legal counsel, the Board in the discharge of its duties relating to the Corporation's compliance with legal and regulatory requirements; and
- viii. assist the Board in the discharge of its duties relating to risk assessment and risk management

b. External Auditor

The duties of the Audit Committee as they relate to the external auditor shall be to:

- i. review management's recommendations for the appointment of the external auditor, and in particular their qualifications and independence, and to recommend to the Board a firm of external auditors to be engaged;
- ii. review the performance of the external auditor and make recommendations to the Board regarding the appointment or termination of the external auditor;
- iii. review and approve, in advance, the engagement letters of the external auditor, for any permissible non-audit services, including the fees to be paid for such services;
- iv. review, where there is to be a change of external auditor, all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102 *Continuous Disclosure Obligations* or any successor legislation ("NI 51-102"), and the planned steps for an orderly transition;
- v. review all reportable events, including disagreements, unresolved issues and consultations, as defined in NI 51-102, on a routine basis, whether or not there is to be a change of external auditor;
- vi. ensure the rotation of partners on the audit engagement team of the external auditor in accordance with applicable law;
- vii. review and approve the engagement letters of the external auditor, both for audit and permissible non-audit services, including the fees to be paid for such services;
- viii. review the performance, including the fee, scope and timing of the audit and other related services and any non-audit services provided by the external auditor; and
- ix. review the nature of and fees for any non-audit services performed for the Corporation by the external auditor and consider whether the nature and extent of such services could detract from the external auditor's independence in carrying out the audit function.

c. Audits and Financial Reporting

The duties of the Audit Committee as they relate to audits and financial reporting shall be to:

- i. review the audit plan with the external auditor and management;
- ii. review with the external auditor and management all critical accounting policies and practices of the Corporation, including any proposed changes in accounting policies, the presentation of the impact

of significant risks and uncertainties, all material alternative accounting treatments that the external auditor has discussed with management, other material written communications between the external auditor and management, and key estimates and judgments of management that may in any such case be material to financial reporting;

- iii. review the contents of the audit report;
- iv. question the external auditor and management regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
- v. review the scope and quality of the audit work performed;
- vi. review the adequacy of the Corporation's financial and auditing personnel;
- vii. review the co-operation received by the external auditor from the Corporation's personnel during the audit, any problems encountered by the external auditor and any restrictions on the external auditor's work;
- viii. review the evaluation of internal controls by the persons performing the internal audit function and the external auditor, together with management's response to the recommendations, including subsequent follow-up of any identified weaknesses;
- ix. review the appointments of the Chief Financial Officer, persons performing the internal audit function and any key financial executives involved in the financial reporting process;
- x. review with management and the external auditor the Corporation's annual audited financial statements in conjunction with the report of the external auditor thereon, and obtain an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board and the release thereof to the public;
- xi. review with management and the external auditor and approve the Corporation's interim unaudited financial statements, and obtain an explanation from management of all significant variances between comparative reporting periods before recommending approval by the Board and the release thereof to the public; and
- xii. review the terms of reference for an internal auditor or internal audit function.

d. Accounting and Disclosure Policies

The duties of the Audit Committee as they relate to accounting and disclosure policies and practices shall be to:

- i. review the effect of regulatory and accounting initiatives and changes to accounting principles of the Canadian Institute of Chartered Accountants or, if it should cease to exist, the entity which is the successor thereto, which would have a significant impact on the Corporation's financial reporting as reported to the Audit Committee by management and the external auditor;
 - ii. review the appropriateness of the accounting policies used in the preparation of the Corporation's financial statements and consider recommendations for any material change to such policies;
 - iii. review the status of material contingent liabilities as reported to the Audit Committee by management;
 - iv. review the status of income tax returns and potentially significant tax problems as reported to the Audit Committee by management;
 - v. review any errors or omissions in the current or prior years' financial statements; and
- e. review and approve before their release all public disclosure documents containing audited or unaudited financial results, including all press releases, offering documents, annual reports, annual information forms and management's discussion and analysis containing such results.
- f. Other

The other duties of the Audit Committee shall include:

- i. reviewing any inquiries, investigations or audits of a financial nature by governmental, regulatory or taxing authorities;
- ii. reviewing annual operating and capital budgets;
- iii. reviewing and reporting to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;
- iv. establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the Corporation of concerns regarding

- questionable accounting or auditing matters;
- v. inquiring of management and the external auditor as to any activities that may be or may appear to be illegal or unethical; and
- vi. any other questions or matters referred to it by the Board.

6. Authority to engage independent counsel and advisors

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the audit committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the board of directors, for payment of compensation (a) to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report, and (b) to any advisers employed by the Audit Committee.

