



ALTIUS MINERALS CORPORATION

(the “Corporation”)

Notice and Management Information Circular

for the Annual and Special Meeting to be held on Wednesday, May 8, 2019

March 24, 2019



ALTIUS MINERALS CORPORATION

ALTIUS MINERALS CORPORATION NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS May 8, 2019

NOTICE IS HEREBY GIVEN that the annual and special meeting (the “**Meeting**”) of the holders of common shares (“**Common Shares**”) of Altius Minerals Corporation (“**Altius**” or the “**Corporation**”) will be held at the Johnson Geo Centre, 175 Signal Hill Road, St. John’s, NL at 1:00 PM(NLT) on Wednesday, May 8, 2019, for the following purposes:

- 1. to receive the consolidated financial statements of the Corporation for its financial year ended December 31, 2018, together with the report of the auditors thereon;**
- 2. to appoint the auditors of the Corporation and to authorize the directors to fix the auditors’ remuneration;**
- 3. to elect directors;**
- 4. to approve the amendment proposed to the existing Stock Option Plan and Long Term Incentive Plan, reducing the available shares and share entitlement under RSUs, DSUs and Stock Options to 5% from time to time from the current 10% of issued and outstanding shares, as well as all unallocated options, rights and other entitlements under the Stock Option Plan and the Long Term Incentive Plan; and**
- 5. to transact such other business as may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof.**

Particulars of the foregoing matters are set forth in the accompanying management information circular (the “**Circular**”). The Corporation has elected to use the notice-and-access provisions under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* (collectively, the “**Notice-and-Access Provisions**”) of the Canadian Securities Administrators for this Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders of the Corporation by allowing the Corporation to post the Circular and any additional meeting-related materials online. Shareholders will still receive this Notice of Meeting and a form of proxy and may choose to receive a hard copy of the Circular. Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via prepaid mail containing a notice with information prescribed by the Notice and Access Provisions and a form of proxy (if you are a registered shareholder) or a voting instruction form (if you are a non-registered shareholder), in each case with a supplemental mail list return box for shareholders to request they be included in the Corporation’s supplementary mailing list for receipt of the Corporation’s annual and interim financial statements for the year ended December 31, 2018. The Corporation had a shortened fiscal year in the year prior (8 months from May 1 to December 31, 2017) in order to align its reporting periods with those of its royalty counter-parties.

Please review the Circular carefully and in full prior to voting in relation to the matters set out above as the Circular has been prepared to help you make an informed decision on such matters. The Circular is available on the website of the Corporation at <http://www.altiusminerals.com> and under the Corporation’s profile on SEDAR



at <http://www.sedar.com> or under Notice and Access Website <http://docs.tsxtrust.com/2020> . Any shareholder who wishes to receive a paper copy of the Circular should contact the Corporation's transfer agent, TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593, Toll-free: 1-866-600-5869. A shareholder may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

DATED at St. John's, Newfoundland and Labrador, March 24, 2019.

By Order of the Board,



John Baker, Chairman of the Board

Notes

1. Registered shareholders who are unable to be present in person at the Meeting are requested to sign and return the form of proxy in the envelope provided for that purpose. Any proxy must be deposited at the principal office of TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by facsimile transmission to (416) 595-9593 or on the internet at <http://www.voteproxyonline.com> prior to 11:00 AM (NLT) on Monday, May 6, 2019, or at any time not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment or postponement of the Meeting.
2. Only holders of Common Shares of record at the close of business on March 18, 2019 will be entitled to vote at the Meeting, except to the extent that a holder of record has transferred any of such Common Shares after that date and the transferee of such Common Shares establishes proper ownership and requests not later than ten (10) days before the Meeting that the transferee's name be included in the list of shareholders eligible to vote at the Meeting, in which case such shareholder shall be entitled to vote such Common Shares at the Meeting.
3. A shareholder desiring to appoint another proxyholder (who need not be a shareholder of Altius) may do so either by inserting such person's name in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the principal office of TSX Trust Company, 301 – 100 Adelaide Street West, Toronto, ON M5H 4H1, by facsimile transmission to 1-416-595-9593 or on the internet at <http://www.voteproxyonline.com> prior to 11:00 AM (NLT) on Monday, May 6, 2019, or at any time not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the time of any adjournment or postponement of the Meeting.
4. If you are a non-registered shareholder and have received this Notice and the accompanying Circular from your broker or another intermediary, please complete and return the proxy or voting instruction form provided to you by your broker or other intermediary in accordance with the instructions provided to you.



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1.0 GENERAL

1.1 Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by and on behalf of Management of the Corporation for use at the annual and special meeting of holders of Common Shares of the Corporation (the “**Meeting**”) to be held at the Johnson Geo Centre, 175 Signal Hill Road, St. John’s, NL at 1:00 PM (NLT) on Wednesday, May 8, 2019 and at any adjournment or postponement thereof. Proxies must be deposited with TSX Trust Company, 301 – 100 Adelaide Street West, Toronto ON M5H 4H1, by facsimile transmission to (416) 595-9593 or on the internet at www.voteproxyonline.com prior to 11:00 AM (NLT) on Monday, May 6, 2019, or at any time not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment or postponement of the Meeting. Shareholders of the Corporation (“**Shareholders**”) of record at the close of business on March 18, 2019 will be entitled to vote at the Meeting, except to the extent that a holder of record has transferred any of such Common Shares after that date and the transferee of such Common Shares establishes proper ownership and requests not later than ten (10) days before the Meeting that the transferee’s name be included in the list of shareholders eligible to vote at the Meeting, in which case such shareholder shall be entitled to vote such Common Shares at the Meeting. The proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by an authorized officer or attorney of the corporation.

The persons named in the enclosed form of proxy are officers or directors of the Corporation (the “Management Proxyholders”). As a Shareholder you have the right to appoint a person other than the Management Proxyholders, who need not be a Shareholder, to represent you at the Meeting. To exercise this right, you should insert the name of your representative in the blank space provided on the form or submit another appropriate proxy.

1.2 Notice and Access

The “Notice-and-Access Provisions” are those provisions concerning the delivery of proxy-related materials to Shareholders found in section 9.1.1 of National Instrument 51-102 - *Continuous Disclosure Obligations* (“**NI 51-102**”), in the case of registered Shareholders, and section 2.7.1 of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), in the case of non-registered Shareholders, which allow an issuer to deliver a management information circular forming part of its proxy-related materials to Shareholders by certain specified electronic means, provided that the conditions of NI 51-102 and NI 54-101 are met.

The Notice-and-Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered shareholders and non-registered shareholders by posting such materials on a non-SEDAR website (usually the reporting issuer’s website and sometimes the transfer agent’s website) rather than delivering such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the management information circular at the reporting issuer’s expense.

Shareholders will receive paper copies of a notice package (the “**Notice Package**”) via prepaid mail containing a notice with information prescribed by NI 54-101, a letter to Shareholders and a form of proxy (if you are a registered Shareholder) or a voting instruction form (if you are a non-registered Shareholder), in each case with a supplemental mail list return box for Shareholders to request that they be included in the Corporation’s supplementary mailing list for receipt of the Corporation’s annual and interim financial statements.



Shareholders can access the material online at: <http://docs.tsxtrust.com/2020> and also on SEDAR under the Corporation's profile.

Notice and Access details:

Issuer mailing directly to NOBOs: YES

Issuer paying cost of delivery to OBOs: YES

Use of Stratification: NO

Shareholders may obtain a paper copy of this Circular or address any questions about Notice and Access by contacting the Corporation's transfer agent, TSX Trust Company at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593, Toll-free: 1-866-600-5869. In order to receive paper copies of these materials in time to vote before the Meeting, your request should be received by May 4, 2019.

1.3 Voting of Shares – Registered Shareholders

You are a registered Shareholder if your name appears on your share certificate or on the list of registered Shareholders maintained by the Corporation's transfer agent. If you are a registered Shareholder of Common Shares, the form of proxy will have been included in the Notice Package. If you are a registered Shareholder, you can vote in person at the Meeting or by proxy. Voting by proxy means that you are giving the Management Proxyholders or another proxyholder that you may designate the authority to vote your Common Shares for you at the Meeting or any adjournment or postponement thereof.

1.3.1 How to Vote in Person

If you intend to be present and vote in person at the Meeting, you do not need to complete or return your form of proxy. Voting in person at the Meeting can revoke any proxy you completed earlier upon your request.

1.3.2 How to Vote by Proxy

If you intend to vote by proxy, you should complete and return the form of proxy provided in the Notice Package in the return envelope provided. The form of proxy must be executed by the registered Shareholder or the attorney of such registered Shareholder.

If you vote by proxy, the Management Proxyholders will vote your Common Shares for you, unless you appoint someone else to be your proxyholder. If you appoint someone else, he or she must be present at the Meeting to vote your Common Shares. This person does not have to be a Shareholder. You may write the name of the person you are appointing in the space provided. Complete your voting instructions and date and sign the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.

If you are voting your Common Shares by proxy, the Corporation's transfer agent, TSX Trust Company, must receive your signed proxy by mail at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by facsimile at (416) 595-9593 or on the internet at www.voteproxyonline.com, prior to 11:00 AM (NLT) on Friday, May 6, 2019, or at any time not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment or postponement of the Meeting. Failure to properly complete or deposit a proxy may result in its invalidation.

The Common Shares represented by any proxy received by management will be voted for or against or withheld from voting, as the case may be, by the persons named in the form of proxy in accordance with the direction of the Shareholder appointing them. In the absence of any direction to the contrary, it is intended that the Common Shares represented by proxies received by management will be voted on any ballot "FOR": (1) the election of each of the directors referred to in this Circular; (2) the appointment of the auditor of the Corporation; (3) approve the amendments to the Stock Option Plan and LTIP as proposed



in the Stock Option Plan and LTIP Resolution and all unallocated rights and other entitlements under the Stock Option Plan and the LTIP. See “Business of the Meeting”.

1.3.3 How to Change your Vote

A registered Shareholder executing the form of proxy may revoke it at any time before it has been exercised by:

- completing a proxy form that is dated later than the proxy form you are revoking and mailing it to TSX Trust Company so that it is received before 11:00 a.m. (NLT) on May 6, 2019;
- sending a revocation notice in writing to the Corporate Secretary of the Corporation at its registered office so that it is received at any time up to and including the last business day before the date of the Meeting. The notice can be from the Shareholder or the authorized attorney of such Shareholder; or
- attending the Meeting and providing a revocation notice to the chair of the Meeting before any vote in respect of which the proxy has been given.

1.4 Voting by Non-Registered Shareholders

You are a non-registered Shareholder if your bank, trust company, securities dealer, broker or other intermediary holds your Common Shares for you. In that case, you will likely not receive a form of proxy.

If you are a non-registered Shareholder, and the Corporation or its agent has sent the Notice Package directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send the Notice Package to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering the Notice Package to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions delivered to you.

If you are not sure whether you are a registered Shareholder or a non-registered Shareholder, please contact the Corporation’s transfer agent, TSX Trust Company, at 301 – 100 Adelaide Street West, Toronto, Ontario, M5H 4H1 or by e-mail at TMXEInvestorServices@tmx.com.

1.4.1 How to Vote by Voting Instruction Form

Non-registered Shareholders who receive a voting instruction form in the Notice Package should carefully follow the instructions provided to ensure their vote is counted.

Subject to the terms of your voting instruction form, if you do not specify how you want your Common Shares voted, they will be voted “FOR”: (1) the election of each of the directors referred to in this Circular; (2) the appointment of the auditor of the Corporation; (3) to approve the amendments to the Stock Option Plan and LTIP as proposed in the Stock Option Plan and LTIP Resolution and all unallocated options, rights and other entitlements under the Stock Option Plan and the LTIP. See “Business of the Meeting”.

1.4.2 How to Vote in Person

If you are a non-registered Shareholder and wish to vote in person at the Meeting, please write your name in the space provided on the voting instructions provided to you or contact your broker or agent well in advance of the Meeting to determine how you can do so. At the Meeting, you should contact the scrutineer.

1.4.3 How to Change your Vote

A non-registered Shareholder may change or revoke a voting instruction at any time by following the instructions on the voting instruction form in sufficient time prior to the Meeting.



Only registered Shareholders, or the persons they appoint as their proxyholders, are permitted to vote at the Meeting.

1.5 Voting Shares and Principal Shareholders

The Corporation is authorized to issue an unlimited number of Common Shares. As at March 24, 2019, 42,861,796 Common Shares were issued and outstanding. As a Shareholder, you are entitled to one vote for each share you own. Under the by-laws of the Corporation, the quorum for the Meeting is Shareholders or duly appointed proxyholders personally present not being less than one in number, and holding or representing by proxy, not less than five percent (5%) of the issued Common Shares. To the knowledge of the directors and senior officers of the Corporation, the only corporation beneficially owning directly or indirectly, or exercising control or direction over, shares carrying more than 10% of the voting rights attaching to all outstanding shares of the Corporation is:

	Shares Held	% Issued and Outstanding
EdgePoint Investment Group Inc.	4,651,173	10.9

This information has been disclosed by EdgePoint Investment Group Inc. in an Alternative Monthly Report filed to SEDAR in November 2018.

2.0 BUSINESS OF THE MEETING

2.1 Receipt of Financial Statements

The audited consolidated financial statements of the Corporation for the financial year ended December 31, 2018, together with the report of the auditors thereon, will be submitted at the Meeting, but no vote thereon is required. These audited consolidated financial statements, together with the Management's Discussion and Analysis thereon, are available on SEDAR at <http://www.sedar.com> on the Company's website at <http://www.altiusminerals.com>.

2.2 Appointment and Compensation of Auditors

Management is proposing the re-appointment of the firm of Deloitte LLP, St. John's, NL as auditors, to hold office until the next annual meeting or until their successor is appointed and the authorization of the directors to fix their remuneration. Deloitte LLP has been the Corporation's auditors since August 2006.

Information on compensation paid to the auditors is disclosed in the Corporation's 2019 Annual Information Form for the year ended December 31, 2018, which is available on the Corporation's website at <http://www.altiusminerals.com> and was also filed on SEDAR on March 12, 2019.

Unless authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted FOR the re-appointment of Deloitte LLP as auditors of the Corporation to hold office until the next annual meeting of Shareholders and authorizing the directors of the Corporation to fix their remuneration.

2.3 Election of Directors

Directors are elected at each annual meeting of the Shareholders and hold office until the next annual meeting or until their successors are otherwise elected or appointed. The board of directors of the Corporation (the "Board") has fixed the number of directors to be elected at the Meeting at eight (8). The Board has adopted a majority voting policy stipulating that any nominee proposed for election as a director who receives, based on the shares voted at the Meeting in person or by proxy, a greater number of shares withheld than shares voted in favour, must promptly tender his or her resignation to the Chairman of the Board, to take effect on acceptance by the Board. The Board will consider the tendered resignation and



make a determination, in a timely manner, whether or not to accept it, which decision will be disclosed to the public. The director in question will not participate in any Board or committee of the Board deliberations while the resignation is under consideration.

The Corporation has adopted a by-law requiring advance notice for director nominations (the “**Advance Notice By-Law**”). Shareholders who wish to nominate candidates for election as directors must provide timely notice in writing to the Corporation at its principal offices at Suite 202, Kenmount Business Center, 66 Kenmount Road, St. John’s, NL, A1B 3V7, Canada, attention: Secretary and include the information set forth in the Advance Notice By-Law.

The Advance Notice By-Law requires that notice must be given not less than 30 days and not more than 65 days prior to the date of the relevant meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 40 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. These provisions may preclude Shareholders from making nominations for directors at an annual or special meeting of Shareholders. The Board may, in its sole discretion, waive any requirement of the Advance Notice By-Law. For the purposes of the Advance Notice By-Law “public announcement” means disclosure in a press release reported by a national news service in Canada, or in a document filed by the Corporation for public access under its profile on SEDAR at <http://www.sedar.com>.

The following table sets forth for each nominee for election as director: such nominee’s age; such nominee’s place of residence; such nominee’s present principal occupation and principal occupations held in the last five years, if applicable; a brief description of the nominee’s principal directorships; the number of Common Shares, stock options, deferred share units (“**DSUs**”) and restricted share units (“**RSUs**”) held, directly or indirectly, by the nominee; the date the nominee became a director of Altius; such nominee’s current membership on committees of the Board; such nominee’s record of attendance at meetings of the Board and its committees during the year ended December 31, 2018; whether or not the Board has determined such nominee to be independent; and whether the nominee is indebted to the Corporation.

Unless authority is withheld, the Common Shares represented by the accompanying form of proxy will be voted FOR the election of the nominees specified herein. Management does not contemplate that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, it is intended that the discretionary power granted by the accompanying form of proxy shall be used by the Management Proxyholders to vote at their discretion for any other person or persons as directors.

<p>Brian Dalton, 46 <i>President and Chief Executive Officer of the Corporation</i> St. John’s, Newfoundland and Labrador, Canada</p> <p>Committees: N/A</p> <p>Common Shares: 1,349,579¹</p> <p>Options: 201,119 DSUs: nil</p> <p>RSUs: 30,054</p>	<p>An entrepreneur in the mining industry, Brian built a successful group of private mineral exploration and exploration service companies prior to co-founding Altius. Brian is an active member of various industry organizations and volunteer boards and has been honoured with numerous awards for his entrepreneurial leadership. He is also a director and Chairman of Adventus Zinc Corporation.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 1997 • Meetings attended: <ul style="list-style-type: none"> - Board: 7 of 7 • Non-independent Board Member (President and CEO of the Corporation) • Indebtedness to Corporation: <i>nil</i>
<p>John Baker, Q.C., 65 <i>Executive Chairman of the Corporation</i> St. John’s, Newfoundland and Labrador, Canada</p>	<p>John was a co-founder of Altius in 1997, has been the Chairman of the Board since 2006 and was appointed as Executive Chairman in June 2014. John was a senior partner in a leading St. John’s law firm</p>



<p>Committees: N/A</p> <p>Common Shares: 612,016²</p> <p>Options: 114,609 DSUs: 19,369 RSUs: 18,010</p>	<p>until June 2014. He has served on numerous public company and volunteer boards and has received several awards for public service. He is also a director of Alderon Iron Ore Corp.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 1997; Chairman since November 2006; Executive Chairman since June 2014 • Meetings attended: - Board: 7 of 7 • Non-independent Board Member (Executive Chairman of the Corporation) • Indebtedness to Corporation: <i>nil</i>
<p>Roger Lace, 68 <i>Chairman, Hamblin Watsa Investment Counsel Ltd.</i> Toronto, Ontario, Canada</p> <p>Common Shares: 30,000</p>	<p>Roger is a new nominee proposed for election this year, and is currently Chairman of Hamblin Watsa Investment Counsel Ltd., a wholly-owned subsidiary of Fairfax Financial Holdings Limited, responsible for managing Fairfax’s global investments. He has over 40 years experience in the investment management industry and has been with Fairfax for more than 30 years. Previously, he was a Vice President of McLeod Young Weir Ltd. and has served on the boards of public resource companies as well as several investment advisory boards including the Ben Graham Centre for Value Investing at Western University. He holds a Bachelor of Science degree in Management from the Massachusetts Institute of Technology, as well as an MBA from the Richard Ivey School at Western University, and is a CFA charter holder.</p>
<p>André Gaumont, 57 Quebec City, Canada</p> <p>Committees: Compensation</p> <p>Common Shares: 100,000³</p> <p>Options: nil DSUs: 10,306 RSUs: nil</p>	<p>André was President and CEO of Virginia Gold Mines, which discovered the Éléonore deposit, and was later sold to Goldcorp Inc. He is a director of Osisko Gold Royalties and Harfang Exploration Inc.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since September 15, 2017; • Meetings attended: - Board: 7 of 7 - Compensation Committee: 3 of 3 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Fred Mifflin, 59 <i>Vice Chairman, Blair Franklin Capital Partners Inc</i> Ontario, Canada</p> <p>Committees: Audit*, Compensation, Corporate Governance</p> <p>Common Shares: 44,000⁴</p> <p>Options: nil DSUs: 44,670 RSUs: nil</p>	<p>Fred is a native of Newfoundland and Labrador and is Vice Chairman with Blair Franklin Capital Partners, an independent investment banking firm in Toronto.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 2006; Lead Director, Chair of the Audit Committee, member of the Compensation Committee and “ex officio” member of the Corporate Governance and Nominating Committee • Meetings attended: - Board: 7 of 7 - Audit Committee: 4 of 4 - Compensation Committee: 3 of 3 - Corporate Governance and Nominating Committee: 1 of 1 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Jamie Strauss, 49 <i>Partner, Strauss Partners</i> London, UK</p> <p>Committees: Compensation*, Corporate Governance</p>	<p>Jamie is currently a partner of mining finance boutique firm, Strauss Partners. Jamie has over 30 years in the finance industry, having raised in excess of \$1bn for resource projects globally. He is also a non-executive director at Bacanora Lithium Plc and Gold Standard Ventures Inc.</p>



<p>Common Shares: 26,490</p> <p>Options: nil DSUs: 42,273 RSUs: nil</p>	<p>Board Details:</p> <ul style="list-style-type: none"> • Director since 2010; Chair of the Compensation Committee and member of the Corporate Governance and Nominating Committee • Meetings attended: <ul style="list-style-type: none"> - Board: 7 of 7 - Compensation Committee: 3 of 3 - Corporate Governance and Nominating Committee: 1 of 1 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Anna Stylianides, 54 <i>Executive Director of Eco Oro Minerals Corp.,</i> Vancouver, Canada Committees: Corporate Governance*</p> <p>Common Shares: 44,499</p> <p>Options: nil DSUs: 21,671 RSUs: nil</p>	<p>Anna joined the Board in 2015 as part of the successful acquisition of Callinan Royalties. Anna has over 20 years of experience in the global capital markets having spent much of her career in investment banking, private equity, and corporate management and restructuring. She is currently an Executive Director of Eco Oro Minerals Corp. (formerly Greystar Resources) and a Director of Entrée Gold, Sabina Gold & Silver, Capfin Partners, and the Fraser Institute.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 2015; member of the Audit Committee and the Corporate Governance and Nominating Committee • Meetings attended: <ul style="list-style-type: none"> - Board: 7 of 7 - Corporate Governance and Nominating Committee: 1 of 1 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Donald Warr, FCPA, FCA, 73 <i>Partner, Blackwood & Warr Chartered Professional Accountants</i> Newfoundland and Labrador, Canada</p> <p>Committees: Audit</p> <p>Common Shares: 104,612</p> <p>Options: nil DSUs: 44,670 RSUs: Nil</p>	<p>Don has more than 47 years' experience as a Chartered Professional Accountant and actively practices as a partner with the accounting firm, Blackwood and Warr. Mr. Warr has served on the Board of Directors of Newfoundland Capital Corporation (NCC-TSX) since 1995. Mr. Warr served as Chief Financial Officer of the Corporation until 2005.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 2005; Member of the Audit Committee • Meetings attended: <ul style="list-style-type: none"> - Board: 7 of 7 - Audit Committee: 4 of 4 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>

Notes

*Denotes Committee Chair.

¹250,000 Common Shares are held by 10587 Nfld. Ltd., a private Newfoundland corporation, wholly owned by Brian Dalton.

²88,104 Common Shares are held by Brightsun Holdings Inc., a private Newfoundland corporation, wholly owned by John Baker

³25,000 Common Shares are held by 9163-9971 Québec Inc., 2,000 Common Shares are held by 9227-7094 Québec Inc.

and 4,500 Common Shares are held by Mincor Québec Inc, all of which are private Québec corporations, wholly owned by André Gaumond.

⁴44,000 Common Shares are held by Trinity Investments Holdings Inc., an Ontario corporation, wholly controlled by Fred Mifflin with a 72% beneficial interest.

As at the date of this Circular, the directors and executive officers of the Corporation as a group beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 2,543,765 Common Shares representing approximately 5.9% of the issued and outstanding Common Shares.



2.3.1 Cease Trade Orders or Bankruptcies

Except as otherwise disclosed in this Circular, to the knowledge of the Corporation, no proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an order that was issued after the proposed director 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 a director, chief executive officer or chief financial officer, or
- (b) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the 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
- (c) has, within the 10 years before the date of this 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 proposed director.

For the purposes of the paragraphs above, order means: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

Brian Dalton and John Baker were directors of Newfoundland and Labrador Refining Corporation (“NLRC”) which, on June 18, 2008, filed a Notice of Intention to Make a Proposal with the Office of the Superintendent of Bankruptcy. On October 17, 2008, NLRC submitted a Proposal to its creditors for a maintenance and care plan for up to 36 months. Under the maintenance and care plan, it was proposed that ongoing costs be kept to a minimum and that all refinery permits would be kept in good standing until such time as its refinery project could be sold or financed when economic conditions improve. In addition, it was proposed that all creditors’ claims would be deferred until the end of the maintenance and care period or until the project obtained financing. On November 20, 2009, the Supreme Court of Newfoundland and Labrador accepted the Proposal and dismissed all further requests for creditors’ claim adjustments for voting purposes. The project did not obtain financing and on July 30, 2014 the Supreme Court of Newfoundland and Labrador ordered the discharge of Ernst & Young Inc. as the trustee under the Proposal. No further proceedings have been taken by creditors to place NLRC into bankruptcy, and the company is currently dormant.

2.3.2 Penalties and Sanctions

No proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.



2.3.3 Indemnification and Insurance

The by-laws of the Corporation provide an indemnity to the directors and officers of the Corporation in certain circumstances. In addition, the Corporation has a director and officer insurance program in place along with indemnification agreements with each of its directors and officers. The indemnification agreements generally require that the Corporation indemnify and hold the indemnitees harmless to the greatest extent permitted by applicable law for liabilities arising out of the indemnitees' service to the Corporation as directors and officers, if the indemnitees acted honestly and in good faith with a view to the best interests of the Corporation and, with respect to criminal and administrative actions or proceedings, if the indemnitee had reasonable grounds for believing that his or her conduct was lawful.

2.4 Summary of the LTIP, Stock Option Plan and Proposed Amendments

At the Meeting, Altius shareholders will be asked to approve amendments to the Stock Option Plan and the Corporation's Long-Term Incentive Plan (the "LTIP"), under which the Board may, from time to time, grant options, Deferred Share Units (DSUs) and Restricted Share Units (RSUs) to directors, employees or consultants of the Company, according to the rules governing each instrument. The following is intended as a brief description of the LTIP and Stock Option Plan, along with the proposal to amend terms, resulting in a reduction of the maximum authorized unissued Common Shares issuable under the Stock Option Plan and LTIP to 5% from time to time (on an undiluted basis) from the currently authorized 10% maximum. The Stock Option Plan and LTIP texts are filed to SEDAR and can be referenced at www.sedar.com.

The amendments to the Stock Option Plan and LTIP were approved by the Board on March 19, 2019 and must be approved by both the TSX and the Shareholders. The amendments to the Stock Option Plan and LTIP are subject to confirmation and approval by the Shareholders and satisfying the requirements of the TSX, including the filing of applicable documentation.

The Stock Option Plan was last enhanced and revised and then approved by shareholders during the Annual and Special Meeting of Shareholders held September 15, 2017, at which time the unallocated entitlements under the Stock Option Plan were approved. The LTIP was adopted by the Board and unallocated entitlements under the LTIP were subsequently approved by Shareholders on September 16, 2015, and, like the unallocated entitlements under the Stock Option Plan, the unallocated entitlements under the LTIP are subject to shareholder approval every three years. Unallocated entitlements under the LTIP were last approved in the Annual & Special Meeting of Shareholders held May 15, 2018. Although the unallocated entitlements under both the Stock Option Plan and the LTIP do not require further shareholder approval until 2020 and 2021 respectively, the Company is proposing that both the amendments to the Stock Option Plan and LTIP and unallocated entitlements thereunder be approved this current year (2019) for the following reasons:

- 1) The Company has consulted with institutional shareholders and intermediaries and based upon that feedback would like to put forward a revised LTIP that better reflects current best practices and governance standards that were communicated to us;
- 2) When Altius first went public as a junior exploration company trading on a predecessor exchange to the TSX-Venture, the company adopted the industry standard "rolling 10%" Stock Option Plan, which was conventional and reflected the fact that executive compensation would be largely non-cash given the cash needs of the company and lack of cash flow generation. Our current stable cash flow base enables us to pay executive compensation in line with peers with minimal equity dilution.
- 3) Even though the 10% limit has always been available to use as a maximum, the Company has always been very careful in minimizing dilution, as the performance-based goals are always measured on a per-share basis, in alignment with shareholders. As a result, the aggregate number of securities currently reserved for issuance under the combined LTIP and Stock Option Plans is 885,572 shares or approximately 2.1% of the common shares outstanding. We propose to reduce the maximum previously available by half, to 5%, and still have adequate shares available to maintain our growth trajectory and run the business competitively.



Summary of the LTIP

The LTIP is an incentive-based equity compensation plan that provides for the grant of RSUs and DSUs. The RSUs may be granted to any director, officer, employee or consultant of the Corporation or any of its affiliates and any such person's personal holding company, as designated by the Board in a resolution (the "**RSU Participants**") upon the terms and conditions set forth in a grant agreement. The DSUs may be granted to directors (the "**Director DSU Participants**"), and to certain officers and employees who are not directors of the Corporation and who have purchased Common Shares in the market within a prescribed period of time (the "**Non-Director DSU Participants**", and collectively with the Director DSU Participants, the "**DSU Participants**"), upon the terms and conditions set forth in a grant agreement. Non-Executive Directors of the Corporation have share based awards via DSUs. DSU Participants, together with the RSU Participants and stock option holders, are collectively referred to as the "Participants".

The LTIP is intended to advance the interests of the Corporation by: (i) providing Participants with additional incentives; (ii) rewarding performance of Participants; (iii) increasing the proprietary interest of the Participants in the success of the Corporation; (iv) encouraging the Participants to remain with the Corporation or its affiliates; and (v) attracting new directors, employees, officers and consultants to the Corporation or its affiliates.

The LTIP is administered by the Board and the Compensation Committee. The Board is responsible for, among other things, granting the RSUs to the RSU Participants, granting the DSUs to the DSU Participants, determining the terms of such grants, and interpreting the LTIP and all agreements entered into thereunder. Pursuant to the LTIP, the number of Units (including fractional Units) granted at any particular time is calculated by dividing (i) the dollar amount of such grant by (ii) the Market Value of a Common Share on the grant date. "**Market Value**" means the volume weighted average trading price of all Common Shares traded on the Toronto Stock Exchange ("**TSX**") for the five (5) trading days immediately preceding the relevant grant date.

The RSUs will vest to the extent of one-third on the anniversary date in each of the first, second and third anniversaries following the calendar year in which the grant date falls, and will be settled on the vesting date provided that if such date falls during, or within five business days following the end of, a black-out period, the RSU settlement date shall be automatically postponed to the sixth business day after the relevant black-out period is lifted, terminated or removed. Vested RSUs will be settled at the Corporation's election through delivery of (i) in the case of settlement for Common Shares, a share certificate to the RSU Participant representing the relevant number of Common Shares issued from treasury; or (ii) in the case of settlement for their cash equivalent, a cheque to the RSU Participant representing the cash equivalent; or (iii) in the case of settlement for a combination of Common Shares and the cash equivalent, a combination of (i) and (ii) above.

DSUs granted to directors vest on the last day of the Corporation's fiscal year in which they are granted. In the event that a DSU Participant's termination from participation in the LTIP falls before the last day of such fiscal year, one-twelfth of the DSUs granted for such fiscal year will vest for each completed month in that fiscal year prior to the date of termination and all remaining unvested DSUs will be forfeited. DSUs granted to Non-Director DSU Participants will vest to the extent of one-third on the anniversary date in each of the first, second and third anniversaries following the calendar year in which the applicable grant date falls, provided that the non-director DSU Participant continues (i) to be employed by the Corporation; and (ii) at all times following the grant date beneficially owns, directly or indirectly, and controls at least the same number of Common Shares as he or she beneficially owned, directly or indirectly, and controlled on the applicable grant date. Vested DSUs will be settled on the first business day which falls 30 days after the DSU Participant's termination date at the election of the Corporation through delivery of (i) in the case of settlement for Common Shares, a share certificate to the DSU Participant, a dependant or relation of the Participant or the Participant's duly authorized legal representative, as the case may be, representing Common Shares issued from treasury; or (ii) in the case of settlement for their cash equivalent, a cheque to



the DSU Participant, a dependant or relation of the Participant or the Participant's duly authorized legal representative, as the case may be, representing the cash equivalent; or in the case of settlement for a combination of Common Shares and the cash equivalent, a combination of (i) and (ii) above.

In the event that a Participant receives Shares from the Company in satisfaction of a grant of RSUs or DSUs during a Company-imposed black-out period, the Participant shall not be entitled to sell or otherwise dispose of such Shares until such black-out period has expired. In the event that a Participant's Units are set to expire during a black-out period, such expiry date shall be automatically extended for ten business days after the expiry of the black-out period following the date the relevant black-out period is lifted, terminated or removed.

In the event of a change of control or a merger, amalgamation, arrangement, business combination or other transaction pursuant to which the Common Shares are converted into, or exchanged for other property, whether in the form of securities of another entity, cash or otherwise, any surviving or acquiring company must, subject to certain exceptions provided in the LTIP assume any Unit outstanding under the LTIP on substantially the same economic terms and conditions or substitute or replace restricted share units and deferred share units, as applicable, for those Restricted Share Units and Deferred Share Units outstanding under the LTIP on substantially the same economic terms and conditions. In the event any surviving or acquiring company neglects or refuses (as determined by the Board, acting reasonably) to assume any Units or to substitute or replace similar restricted share units and deferred share units, as applicable, for those outstanding RSUs and DSUs under this Plan in connection with a Substitution Event, then with respect to any Units held by Participants, the vesting of such Units will automatically and without further action by the Board or the Company be immediately accelerated so that such Units will be fully vested. In the event of a potential change of control following a take-over bid, the Board may, in its discretion, conditionally or otherwise and on such terms as it sees fit, accelerate the vesting of all of a Participant's unvested Units to a date prior to the expiry date of such take-over bid or offer, such that all of a Participant's Units will immediately vest at such time and the RSU Vesting Date or the DSU Termination Date, as applicable, in connection with such Units will be adjusted accordingly. For purposes of the LTIP, a potential change of control following a take-over bid will be deemed to occur upon a formal take-over bid or tender offer for Common Shares being made as a result of which the offeror and its affiliates or associates, and each company, trust, partnership or other entity under common control with any of them would, if successful, beneficially own, directly or indirectly, fifty percent (50%) or more of the Common Shares then outstanding.

A Unit's cash equivalent is calculated according to its Market Value on the settlement date, multiplied by the number of vested Units in a Participant's account, net of any applicable withholding taxes. In the event a dividend becomes payable on the Common Shares, then on the payment date for such dividend, each Participant's notional account shall, unless otherwise determined by the Board in respect of any grant of Units, be credited with additional Units (including fractional Units) of the same kind as credited in such Participant's applicable notional account. The number credited shall be determined by dividing: (i) the amount determined by multiplying (a) the number of Units in such Participant's notional account (whether vested or unvested) on the record date for the payment of such dividend by (b) the dividend paid per Common Share, by (ii) the Market Value of a Common Share on the dividend payment date for such dividend, in each case, with fractions computed to two decimal places. Such additional Units (including fractional Units), if credited, shall vest on the same basis as the underlying Units.

The maximum number of Common Shares which may be reserved for issuance under the LTIP and pursuant to any other security based compensation arrangement of the Corporation (including the Corporation's Stock Option Plan) cannot exceed 10% [proposed basis 5%] of the issued and outstanding Common Shares from time to time on a non-diluted basis (representing an aggregate of 4,285,173 [proposed 2,143,089] Common Shares as at December 31, 2018).



Certain other restrictions on grants apply, including that (i) the number of Common Shares issuable to insiders (as a group), at any time, under the LTIP and any other security-based compensation arrangements shall not exceed 10% of the Corporation's issued and outstanding Common Shares; (ii) the number of Common Shares issued to insiders (as a group), within a one-year period, under the LTIP and any other security-based compensation arrangements cannot exceed 10% of the outstanding issue of common shares; (iii) the aggregate number of common shares reserved for issuance to non-employee directors shall not exceed 1% of the outstanding issue of Common Shares; and (d) the annual grant to any individual non-employee director shall not exceed more than \$150,000 worth of Common Shares.

Under the LTIP, the Corporation will not provide financial assistance to Participants in connection with the exercising of Units by Participants. If a RSU Participant is terminated for cause or resigns without good reason, any unvested RSUs shall expire on the date of termination. If a RSU Participant is terminated without cause or resigns with good reason, or as a result of such RSU Participant's death or disability, any unvested RSUs shall, at the discretion of the Board, either (i) vest and be settled on any date on or after the termination date or (ii) continue to vest and be settled in accordance with the grant agreement relating to such RSUs. Similarly, if a Non-Director DSU Participant is terminated for cause or resigns without good reason, any unvested DSUs shall expire on the date of termination. If a Non-Director DSU Participant is terminated without cause or resigns with good reason, or as a result of such Non-Director DSU Participant's death or disability, any unvested DSUs shall, at the discretion of the Board, either (i) vest and be settled on any date on or after the termination date or (ii) continue to vest and be settled in accordance with the grant agreement relating to such DSUs. For greater certainty, the above termination provisions for DSU Participants shall only apply to Non-Director DSU Participants; as previously noted, to the extent that a DSU Participant that is not a Non-Director DSU Participant ceases to be a DSU Participant before the last day of the fiscal year in which the DSUs are granted, one-twelfth of the DSUs granted for such fiscal year will vest for each completed month in that fiscal year prior to the date of termination and all remaining unvested DSUs will be forfeited.

In no event may the rights or interests of a Participant under the LTIP be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or by the laws of succession and distribution.

Subject to any necessary regulatory approval, the Board may, in its sole discretion, suspend or terminate the LTIP at any time or amend the terms and conditions of the LTIP or of any Units granted under the LTIP and any grant agreement, without Shareholder approval, provided that such amendment will not adversely alter or impair any Units previously granted except as permitted by the terms of the LTIP; will be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and will be subject to Shareholder approval, where required by law, the TSX or the LTIP. For example, the Board may approve amendments relating to the LTIP or the Units, without Shareholder approval, to the extent such amendment without limiting the generality of the foregoing:

- is for the purposes of curing any ambiguity, error or omission in the LTIP or to correct or supplement any provision of the LTIP that is inconsistent with any other provision of the LTIP;
- is necessary to comply with applicable law or the requirements of the TSX;
- is an amendment to the LTIP respecting administration and eligibility for participation under the LTIP;
- alters, extends or accelerates the terms of vesting applicable to any Units;
- changes the termination provisions of a Unit or the LTIP which does not entail an extension beyond the original expiry date of a Unit; or
- is an amendment to the LTIP of a "housekeeping nature".

Notwithstanding the foregoing, the Board shall be required to obtain Shareholder approval in order to: (i) amend the number of Common Shares issuable under the LTIP; (ii) add any form of financial assistance by



the Corporation for the exercise of a Unit; (iii) make any amendment that results in a material or unreasonable dilution in the number of outstanding common shares or any material benefit to a Participant; (iv) extend the time for which a Unit expires; (v) amend the provisions in the LTIP on participation limits, assignment and amendment; or (vi) change the class of eligible Participants to the LTIP which would potentially broaden or increase participation by insiders of the Corporation.

As at December 31, 2018, 307,615 Units are granted under the LTIP (representing 0.7% of the Corporation's outstanding Common Shares). As of December 31, 2018, 577,957 options are granted under the Stock Option Plan (representing 1.3% of the Corporation's outstanding Common Shares). A further 3,400,607 [proposed 5% -1,257,517] Common Shares remain issuable in the form of either stock options or LTIP participating units (representing 7.9% [proposed 5% - 2.9%] of the Corporation's outstanding Common Shares).

The Company's annual burn rate, as described in Section 613(p) of the TSX Company Manual, under the LTIP was 0.2% for the year ended December 31, 2018, 0.2% for the eight months ended December 31, 2017 and 0.2% for the fiscal year ended April 30, 2017. The Company's annual burn rate under the Stock Option Plan was 0.2% for the year ended December 31, 2018, 0.5% for the eight months ended December 31, 2017 and 0.3% for the fiscal year ended April 30, 2017. The burn rate is subject to change from time to time, based on the number of Units granted and the total number of Common Shares issued and outstanding. For purposes of the foregoing, "burn rate" is calculated by dividing the number of Units granted during the applicable fiscal year over the weighted average number of issued and outstanding Common Shares for that year. The 2018 burn rate for the total between LTIP and stock option grants is the quotient of 181,021 Units granted in 2018 divided by 43,171,947 issued and outstanding Common Shares, or 0.4% on a combined basis.

Summary of the Stock Option Plan

The following is intended as a brief description of the Corporation's Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be filed under the Corporation's profile on SEDAR. The Stock Option Plan is administered by the Compensation Committee. The Stock Option Plan was instituted to attract and retain Participants and motivate them to advance the interests of the Corporation by affording them the opportunity to acquire an equity interest in the Corporation. The Board has determined that non-Executive Directors of the Corporation may not participate in the Stock Option Plan and that their sole entitlement to share based awards is to be via DSUs.

The Stock Option Plan is a "rolling" plan, which means that the number of options which may be granted pursuant to the Stock Option Plan will increase as the number of issued and outstanding Common Shares of the Corporation increases, including increases in issued Common Shares resulting from the exercise of stock options. The Stock Option Plan provides that the maximum number of Common Shares which may be issued pursuant to stock options granted under the Stock Option Plan, together with any authorized but unissued Common Shares under any previous stock option plan and any other share compensation arrangement of the Corporation, shall not exceed 10% [proposed change to 5% from time to time] (on a non-diluted basis) of the outstanding Common Shares at any time.

Grants of options under the Stock Option Plan are subject to the following limitations: (a) the aggregate number of Common Shares reserved for issuance pursuant to options outstanding at any time may not exceed 10% [proposed 5% from time to time] of the issued and outstanding Common Shares (on a non-diluted basis); (b) the aggregate number of Common Shares reserved for issuance pursuant to options granted to any one Participant and pursuant to other share compensation arrangements may not exceed 5% from time to time of the issued and outstanding Common Shares (on a non-diluted basis); (c) the aggregate number of Common Shares reserved for issuance pursuant to options granted to insiders and pursuant to other share compensation arrangements may not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis); (d) the issuance of Common Shares to insiders pursuant to the Stock Option Plan



and other share compensation arrangements within a one-year period may not exceed 10% of the outstanding Common Shares (on a non-diluted basis); and (e) the issuance of Common Shares to any one insider and such insider's associates within a one-year period pursuant to the Stock Option Plan and other share compensation arrangements may not exceed 5% of the outstanding Common Shares (on a non-diluted basis).

The Board fixes the exercise price of an option at the time it is granted to a Participant, which in accordance with the rules of the TSX, may not be less than the volume weighted average trading price of the Common Shares on the TSX for the five trading days prior to the grant date. The Board specifies the terms of each option upon its grant, vesting provisions, and any other conditions or limitations (including any applicable hold periods). Options are generally not transferable or assignable, except as may be permitted by the TSX. Each option and all rights thereunder shall expire on its relevant expiry date, subject to earlier termination in accordance with any stock option agreement entered into under the Stock Option Plan. Notwithstanding the foregoing, in the event that a Participant ceases to be a director, officer, employee or service provider of the Corporation or a subsidiary for any reason other than death, including the resignation or retirement of the Participant or the termination by the Corporation or a subsidiary of the employment of the Participant, an option may only then be exercised for a period up to and including the earlier of (i) the expiry date of the option and (ii) the date that is ninety (90) days following the effective date of such notice of resignation or retirement or a date that is ninety (90) days following the date notice of termination of employment is given by the Corporation or a subsidiary.

In the event of a take-over bid, liquidation or dissolution of the Corporation or a re-organization, plan of arrangement, amalgamation, merger or consolidation of the Corporation, the Board may (i) exercise its discretion to permit accelerated vesting of options on such terms as the Board sees fit and (ii) in the event of such accelerated vesting, cause the options to terminate after the end of the period of accelerated vesting on such terms as the Board sees fit. The Stock Option Plan provides that the Board may amend or discontinue the Stock Option Plan at any time without the consent of the Participants, provided that such amendment shall not alter or impair any Option previously granted under the Stock Option Plan and that such amendment or discontinuance has been approved by the TSX, and where necessary, by shareholders of the Corporation.

The Stock Option Plan contains a cashless exercise feature that permits a Participant to elect to exercise an option or a portion thereof held by the Participant by surrendering such option or a portion thereof in exchange for the issuance of that number of Common Shares having a fair market value equal to the amount by which (i) the product of the number of Common Shares issuable upon the exercise of such option multiplied by the Market Price of the Common Shares (as at the date of exercise) underlying such option exceeds (ii) the aggregate exercise price for all of the options being exercised. "Market Price" is defined in the Stock Option Plan to be the volume weighted average trading price of the Common Shares on the TSX for the five preceding trading days. Upon the exercise of options in accordance with the foregoing, the number of Common Shares actually issued shall be deducted from the number of Common Shares reserved with the TSX for future issuance under the Stock Option Plan and the balance of the Common Shares that were issuable pursuant to the options so surrendered shall be considered to have been cancelled and available for further issuance.

As at December 31, 2018, the end of the Corporation's most recent financial year, the aggregate number of Common Shares which were issuable under the Stock Option Plan was 4,285,173 (representing 10% of the Corporation's outstanding Common Shares at December 31, 2018). As at December 31, 2018, 577,957 options are granted under the Stock Option Plan (representing 1.3% of the Corporation's outstanding Common Shares). Under the terms of the Stock Option Plan, a further 8.7% [proposed 3.7%] of Common Shares remain issuable under the Stock Option Plan.

The Company's annual burn rate on a combined basis of options, RSUs and DSUs, as described in Section 613(d) of the TSX Company Manual, 0.4% for the year ended December 2018, 0.3% for the year ended



April 30, 2017, 0.5% for the eight months ended December 31, 2017. Management expects that the burn rate in fiscal 2019 will be approximately 0.4% per annum. The burn rate is subject to change from time to time, based on the number of stock options granted and the total number of Common Shares issued and outstanding. For purposes of the foregoing, “burn rate” is calculated by dividing the number of stock options granted during the applicable fiscal year over the weighted average number of issued and outstanding Common Shares for that year. The 2018 burn rate for options alone is the quotient of 97,634 stock options granted in 2018 divided by 43,171,947 weighted average issued and outstanding Common Shares, or 0.2%.

Approval Sought

Pursuant to the rules of the TSX, all unallocated options, rights or other entitlements under a security-based compensation arrangement that does not have a fixed maximum number of securities issuable, such as the Stock Option Plan and the LTIP must be approved by a majority of shareholders every three years. Although neither set of unallocated entitlements under each plan is due for further approval until 2020 and 2021, respectively, such approval is being sought at this meeting. At the same meeting, shareholders will be asked to approve the proposed amendment to the plans.

The amendments to both the Stock Option Plan and the LTIP are to reduce the maximum number of Common Shares issuable under the Stock Option Plan and the LTIP to 5% from time to time (on an undiluted basis) from the previous 10% maximum.

Accordingly, Shareholders will be asked at the Meeting to consider and if thought appropriate to pass, with or without variation, an ordinary resolution (the “**Stock Option and LTIP Resolution**”), in the form set out below.

“**BE IT RESOLVED** as an ordinary resolution that:

- (1) The Stock Option Plan and LTIP be amended to reflect the changes requiring shareholder approval, specifically to reduce the maximum authorized unissued Common Shares issuable under the Stock Option Plan and LTIP to 5% from time to time (on an undiluted basis) from the previous 10% maximum, and that such Stock Option Plan and LTIP, as amended, shall continue to remain in effect until further ratification is required pursuant to the rules of the TSX or other applicable regulatory requirements;
- (2) all unallocated options, rights and entitlements under the Stock Option Plan and LTIP, as amended, be and are hereby authorized and approved;
- (3) the Corporation have the ability to continue granting Units and options under the LTIP and Stock Option Plan, respectively, until May 8, 2022, being the date that is three (3) years from the date of the meeting of shareholders of the Corporation at which shareholder approval is being sought; and
- (4) any director or officer of the Corporation be, and such director or officer of the Corporation hereby is, authorized and empowered, acting for, in the name of and on behalf of the Corporation, to execute or to cause to be executed, under seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and instruments, and to do or to cause to be done all such other acts and things, as in the opinion of such director or officer of the Corporation may be necessary or desirable in order to fulfill the intent of the foregoing paragraphs of this resolution.”

The Board unanimously recommends that shareholders approve the Stock Option and LTIP Resolution. The representatives of management named in the enclosed form of proxy, if named as proxy-holders, intend to vote FOR the Stock Option and LTIP Resolution, except in respect of any



proxy where the relevant shareholder has specified in such proxy that his or her shares are to be voted against the Stock Option and LTIP Resolution.

If shareholder approval (being more than 50% of the votes cast in respect of such resolution by shareholders present, in person or by proxy at such meeting and entitled to vote thereon) is not received for the Stock Option and LTIP Resolution, the proposed amendments to the Stock Option Plan and LTIP will not be accepted and all unallocated entitlements under the current LTIP and Stock Option Plan will be cancelled, and the Corporation will not be permitted to grant further entitlements under the Plans until such time as shareholder approval is obtained. However, all allocated awards under both plans will continue unaffected.

3.0 STATEMENT OF EXECUTIVE COMPENSATION - COMPENSATION DISCUSSION AND ANALYSIS

3.1 Introduction

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of its Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”), and the three most highly compensated executive officers (other than the CEO and CFO) whose total compensation for the most recently completed fiscal year exceeds \$150,000 (together, the Named Executive Officers, or “NEOs”).

This compensation discussion and analysis (“CD&A”) is intended to provide Shareholders with an understanding of Altius’ approach to compensation, including a description of the decisions and processes involved, the different components of the compensation program, what was paid to NEOs for the financial year ended December 31, 2018 and why. The NEOs for the financial year ended December 31, 2018 were:

- Brian Dalton, President & Chief Executive Officer
- John Baker, Executive Chairman
- Ben Lewis, Chief Financial Officer
- Chad Wells, Vice President Business Development
- Lawrence Winter, Vice President Exploration

This CD&A also describes and explains the compensation program for Board members.

3.2 Role and Composition of the Compensation Committee

The Board’s current Compensation Committee consists of Jamie Strauss (Chair), Fred Mifflin, and André Gaumond. The recommendations of the Compensation Committee are presented to the Board for approval.

For the year ended December 31, 2018, none of the members of the Compensation Committee was an officer or employee of Altius or its subsidiaries and each member of the Committee met the Board’s independence standards derived from the corporate governance guidelines established by National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”). Biographies for each member of the Committee can be found under section 2.3 of this proxy. Altius believes its Compensation Committee members have the knowledge and experience required to perform their duties effectively and make executive compensation decisions in the best interests of the Corporation and its Shareholders.

The purpose of the Compensation Committee is to assist the Board in discharging its oversight responsibilities relating to the attraction, compensation, evaluation and retention of key senior management employees, and in particular the CEO and the Executive Chair, with the skills and expertise needed to



enable the Corporation to achieve its goals and strategies at fair and competitive compensation and with appropriate performance incentives.

The following is a summary of the Compensation Committee charter, which can be viewed in its entirety on the website at www.altiusminerals.com under Corporate Governance. The Compensation Committee is responsible for, among other duties:

- Retaining and terminating any compensation consultant to be used to assist in the evaluation of Management or director compensation, with sole authority to approve the consultant's fees and other retention terms;
- Reviewing annually and recommending to the Board for approval corporate goals and objectives relevant to the Management (the "Objectives");
- Reviewing annually the performance of each member of Management in light of the Objectives, and in cooperation with the Executive Chair, reviewing the compensation level of each member of Management other than the Executive Chair based on this evaluation;
- In cooperation with the Lead Director, reviewing the compensation of the Executive Chair based on the Objectives;
- In determining such compensation, considering the Corporation's performance and total shareholder return related to the compensation of Management as well as to comparable companies;
- Reviewing and recommending to the Board for approval perquisites and supplemental benefits granted to Management;
- Reviewing annually the compensation system that is in place for employees of the Corporation in order to ensure that it meets the goals and objectives for which it was designed and is in line with the philosophy of senior management;
- Undertaking a thorough review of the compensation system at least once every five years in order to ensure that internal and external fairness and competitiveness exists in the compensation of all employees, including incentive-compensation plans and equity-based plans;
- Administering and making recommendations to the Board regarding the adoption, amendment or termination of the Corporation's incentive compensation plans and equity-based plans (including specific provisions) for its directors, officers, employees and consultants (collectively, the "Plans");
- Reviewing annually the appropriateness of allocation of benefits under the Plans and the extent to which the Plans are meeting their intended objectives and, as appropriate, recommending that the Board make modifications to the Plans;
- In cooperation with the Executive Chair, reviewing annually the Independent Board of Directors' compensation package and recommending to the Board any appropriate revisions. Undertaking a thorough review at least once every five years to ensure that the compensation plan is meeting the goals for which it was intended. Directors who are employees of the Corporation shall not be compensated for their services as Directors as they are considered not to be independent; and
- Approving all awards pursuant to the Plans, including all awards of shares, options or other securities pursuant to the equity-based Plans, unless otherwise indicated in the Plans.



The Compensation Committee generally meets at least twice annually, and more frequently as required, in the absence of management unless their input is required on specific matters. The Committee bases its compensation recommendations on Altius’ established policies, on the ability of each individual to meet established goals as well as the requirements of the job description, and on the performance of the Corporation. The CEO and Executive Chairman provide input to the Compensation Committee with respect to the compensation of their direct reports.

The Committee’s mandate also requires the Committee to evaluate the functioning of the Committee on an annual basis.

Compensation Committee Meetings held and attendance:

Committee Member	2018	2017 (8 months ended Dec 31)
Jamie Strauss	3	3
Fred Mifflin	3	3
André Gaumond	3	3

3.2.1 Role of Management in Compensation Decisions

The CFO assists the CEO and Executive Chairman in developing and presenting to the Compensation Committee all of management’s recommendations and supporting material pertaining to the compensation of the NEOs and other senior executives. The CEO and Executive Chairman are invited to attend meetings of the Committee when their input is required on specific matters.

3.2.2 Appointment and Role of Compensation Consultants

The Committee, through its Charter, is empowered to retain and terminate any external compensation consultant and has the sole authority to approve the relevant fees and terms.

The mandate of the Committee grants it sole authority to retain and terminate legal or other advisors to the Committee, including compensation consultants, as well as sole authority to approve the advisors’ fees and other retention terms. In 2018, the Committee retained Hugessen Consulting Inc. (“**Hugessen**”) to perform a benchmarking review of Named Executive Officer compensation, as compensation had not been reviewed against peers for the prior three years. The Committee also retained Hugessen to perform a peer benchmarking evaluation of Director Compensation, which was the first time in 10 years that such review was undertaken. The review encompassed director compensation by role, including committee chair and membership retainer practices, along with minimum stock ownership guidelines and the practice of streamlining the structure so that per-meeting fees are replaced by flat fee retainers, with differentiation based on committee membership and chair roles. In 2017, the Committee retained Hugessen two times, to initially provide independent advice on its proxy compensation disclosure in July 2017 and again in late 2017 to undertake a review of current Executive base salary and Board compensation.

Compensation Consultants Fees:

	FY2018 (Dec 31)	FY2017 (Dec 31)
Fees paid	\$17,391	\$16,960

3.3 Executive Compensation Philosophy

The Corporation’s executive compensation philosophy for executives is based on three core principles, namely:

- (i) to provide a compensation package that is commensurate with an entrepreneurial environment, and that encourages and motivates performance;



- (ii) to be competitive with companies of similar size and scope of operations; and
- (iii) to align the interests of its executive officers with the interests of the Corporation and the Shareholders.

The Compensation Plan (the “**Compensation Plan**”) emphasizes pay-for-performance to align the interests of senior executives with the long-term interests of Shareholders. It also measures performance over different time horizons to reflect a range of investment/asset profiles, includes retentive aspects for senior executives and is tied to the Corporation’s affordability. The plan is competitive with other similar firms, is flexible to better adjust to the Corporation’s evolving growth strategies and is calibrated so that superior individual performance by the Corporation and its senior executives results in above-market median compensation and, conversely, under performance results in below-market compensation.

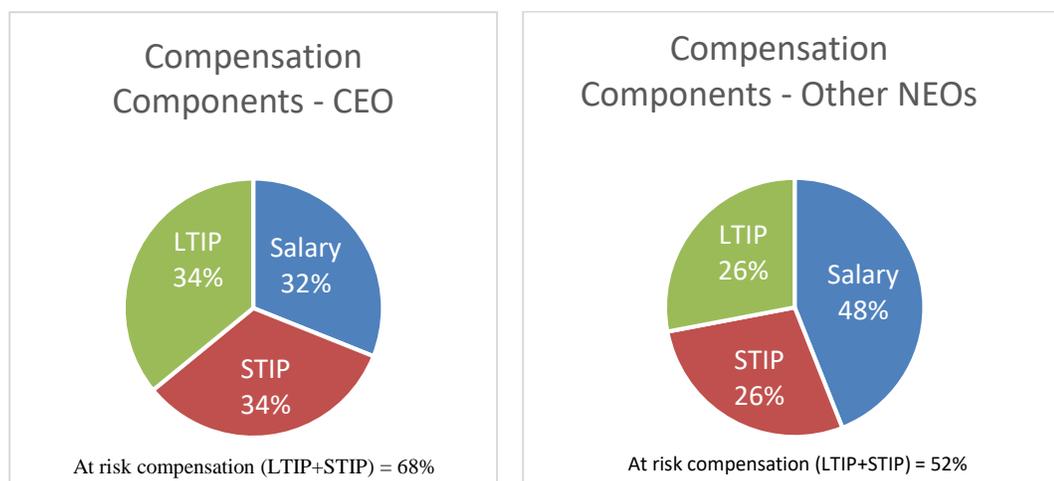
Components of Altius’ Executive Compensation Program in Fiscal 2018

Compensation Component	Objectives	Form
Base salary	Provide fixed compensation reflecting the role, skills, and experience of the executive.	Cash
Short-term Incentive Plan (“STIP”)/bonus	Provide a short-term performance-based incentive plan to reward executives to maximize year-by-year profitability and enhance long-term shareholder value	Cash
Long-term Incentive Plan (“LTIP”) and Stock Option Plan	Provide long-term performance-based compensation linked to increases in the share price, to enhance long-term shareholder value, to better align the interests of executives with those of shareholders and to encourage retention of talented executives	Restricted Share Units (RSUs) and Options

The compensation mix varies by executive level to reflect the higher at-risk proportion of compensation for the CEO compared to other Named Executive Officers. The base salary portion of executive compensation is fixed while the value of the long-term incentives is performance-based and is at risk. In the pie chart below, the difference is illustrated, as the CEO has a higher portion of compensation being at risk, while other Named Executive Officers have a lower portion than the CEO, but still a significant portion being at risk and therefore aligned with shareholders.

The pay mix of the primary compensation components for the NEOs in the year ended December 31, 2018 is shown in the following chart:





Notes

Percentages have been rounded to the nearest whole number.

3.3.1 Competitive Benchmarking

In order to attract and retain key executive leadership, Altius seeks to ensure that executive compensation remains market competitive. Accordingly, the Compensation Committee periodically undertakes a market review of total compensation levels and practices at comparator companies, although it does not attempt to target pay levels at a specific percentile relative to the comparator group. The most recent review (described above) was in 2018 and formed part of the interim review of compensation within its standard five-year cycle. The next formal review is expected to take place in 2020.

3.3.2 Performance Comparator Group

The Comparator group, used by the Committee for the 2018 Compensation bonus review, was consistent with the group approved by the Board in the previous year and is set out below. The one change from 2017 is the removal of Royal Gold, Inc. as it is a single-listed U.S. exchange-traded company, as opposed to the others which are primarily TSX-listed, or dual listed in the case of Anglo Pacific Group which is primarily London-listed but with a secondary listing on the TSX.

Company	Primary Industry	Headquarters
Anglo Pacific Group	Royalty	United Kingdom
Capstone Mining	Copper Mining	Canada
Franco-Nevada Corporation	Royalty	Canada
Osisko Gold Royalties	Royalty	Canada
Sandstorm Gold Royalties	Royalty	United States
Trevali Mining	Zinc Mining	Canada
S&P/TSX Global Mining		

3.3.3 Compensation Risk Management

- The Compensation scheme considers the implications of the maximum cost both on a cash and dilution basis under a number of scenarios. The changes proposed for shareholder approval this year reflect consultation with shareholders and adherence to recommendations put forward by Institutional Shareholder Services and Glass Lewis to reduce maximum dilution and to protect shareholders in the case of the added Executive Compensation Clawback Policy. The Executive Compensation Clawback Policy is an initiative led by the Corporate Governance and Nominating Committee and is presented in Section 7.15.



- The Committee believes the culture of the Company, its overall Executive Bonus structure and the goals set do not encourage excessive risk taking.

3.4 Key Activities Undertaken by the Compensation Committee

The Compensation Committee is responsible for reviewing and making recommendations to the Board with respect to senior management compensation and succession planning for the CEO and other senior executives. In keeping with its Charter, the Committee annually reviews the Compensation Plan to determine its appropriateness to changing situations.

- At the start of the year the committee discusses with the CEO and Executive Chairman an appropriate score card of targets which relate to the Company's short, medium- and long-term corporate strategy. Amongst other items it incorporates a specific "EBITDA per share" target based on the previous year reported earnings before interest, taxes, depreciation and amortization ("EBITDA") plus an 8% hurdle (+/- adjustments as agreed by the committee), total shareholder return based on absolute and relative performance, a set of goals tied to business development, a requirement to pass certain criteria in health, safety & environmental and a self-assessment process that is managed between the Executive Chairman, CEO and the Committee.
- In the third quarter, the Chairman of the Committee reviews the scorecard with the Executive Chairman to identify likely outcomes relative to the scorecard, ensure appropriate communication and identify potential issues.
- At the end of the year, following input by senior management into the grading of the scorecard, the Committee reviews the scoring, which will then be translated into appropriate rewards under both the STIP and the LTIP. Before concluding its recommendation to the Board, the Committee asks itself the following questions:
 - What is the total cost to the Corporation and is it affordable?
 - Is it appropriate under the circumstances?
 - How does it affect dilution?
 - Have there been any significant sector changes that need to be considered?

In the event of using discretion, the Committee will articulate where and why this was used. The Committee will then present its recommendation to the Board.

2018 Performance Assessment

For the year ended December 31, 2018, the Committee applied the above structure in establishing compensation.

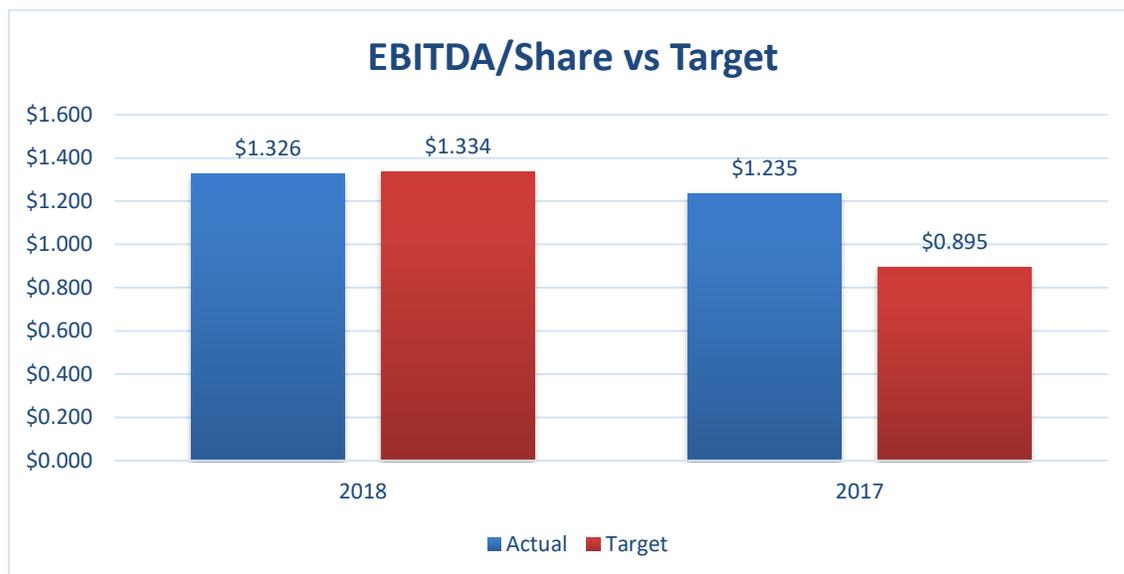
Financial

For the Financial Criteria, which has the highest weighting of 50% in determining compensation payouts for both the STIP and LTIP, the Committee assigned a score of 63.5%.

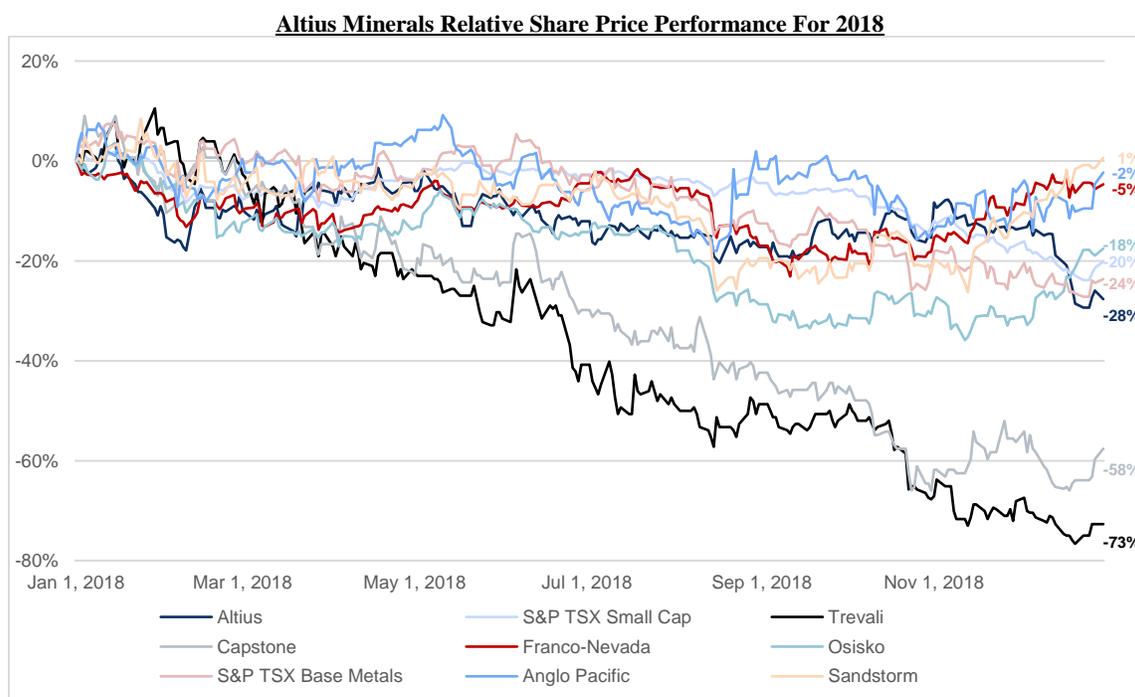
- The Committee set an EBITDA target of +8% over the previous year actual (subject to +/- adjustments as applicable) as well as absolute and relative performance of total shareholder return.
- Against target, the Corporation missed by 0.6%, experienced an absolute total shareholder return of -27.7% and underperformed peers, except for the two base metal producers in the comparator group.

For the financial score for the year ended 2018, the Committee decided to include \$3 million of attributable dividend income from Labrador Iron Ore Royalty Corporation ("LIORC") that had been earned and retained by LIORC but not paid out as dividends to LIORC shareholders as per the LIORC company mandate. This decision was supported by the action taken by Altius as referenced in the news releases on 5th and 26th February 2019 and confirmed by the dividend announced by LIORC on March 7, 2019 of \$1.05 per share (combined regular and special). Altius owned approximately 5.5% of LIORC at the end of December, or roughly 3.5 million shares.





In prior years, the Committee measured financial performance using an Adjusted Operating Income Per Share metric in comparison to budget. The Committee believes the new metric improves the accountability of financial performance through the use of a built-in hurdle rate of 8% to reward earnings growth and reduces the necessary adjustments required to arrive at a measurable performance metric.



As the table showing relative performance indicates, Altius shares were trading within the general range of peers until the last week in December, when they dropped significantly. Peer company shares did not experience a similar drop, except for a continuation of the trend in the mining producer peers. The sell-off was not a negative reaction to news, as no news was announced during the period. Since the beginning of 2019, the stock price has recovered to levels that preceded the late December sell-off; however, the financial component measurement date is at year end, which explains the lower score in that category, consistent with shareholder experience at that date.

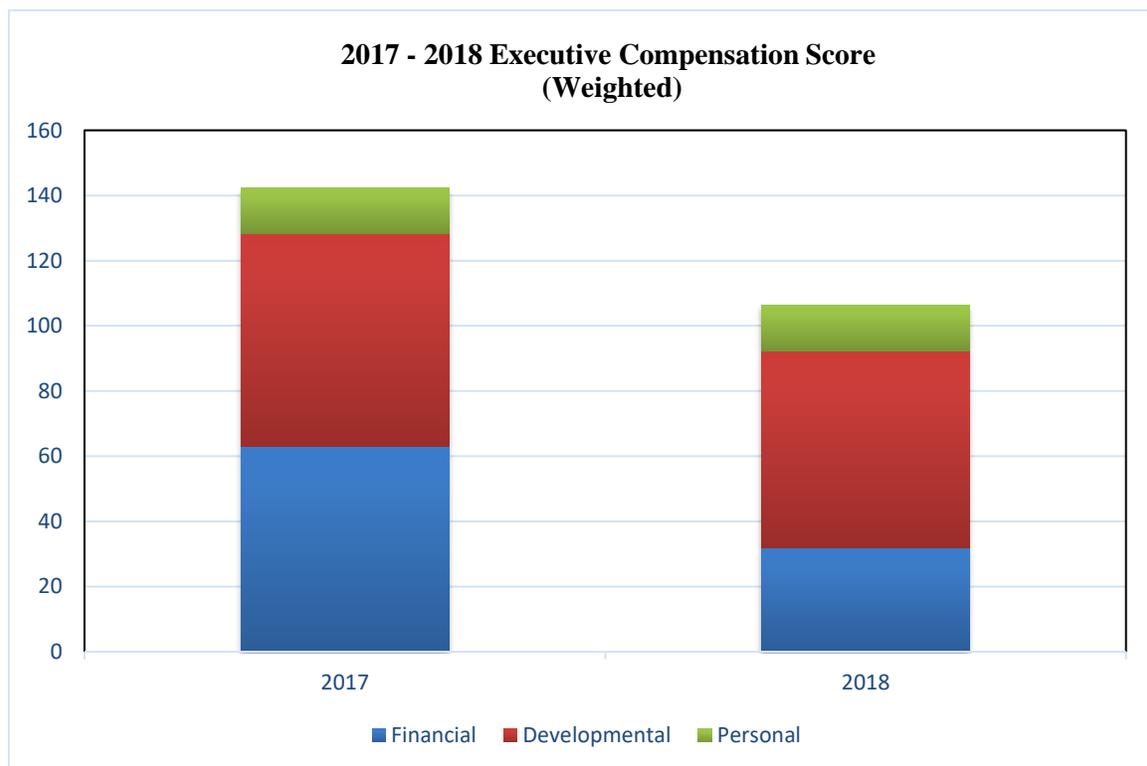


Developmental

- The Developmental Criteria (40% weighting) evaluates specific, measurable goals agreed by management and the Committee at the beginning of the year/executed throughout the year.
- It also encompasses Sustainability and Health & Safety objectives on a pass/fail basis, judged as a “pass” in 2018
- Management exceeded target on twelve specific goals (of a total of 18). It met target on two goals and underperformed on four. Taking into account the weighting of the specific goals for relevance and giving a pass for health & safety, environmental and sustainability, the Committee concluded that the Developmental element should be scored 151.76.

Individual

- Individual performance as reported through self-assessments (10% weighting) is managed by the Executive Chairman and shared with the CEO and the Committee. The Executive Chairman has his Assessment managed by the CEO and shared with the Committee. The Executive Chairman (and CEO if applicable) follow up in personal meetings with each individual on their submitted assessments.
- Introduction of self-assessments in FY2016 has led to a number of areas of improvement throughout the organization. The Committee concluded that all NEOs scored at an average of 140 for the current year.



Other than the discretion mentioned above with regards to the Financial Metric (section 3.4), no additional discretion was used for the period.

3.4.1 Base Salary

Individual executive salaries are typically set with a view towards offering market-competitive fixed compensation in order to attract and retain leaders with the appropriate skill sets. The Compensation Committee, following discussions with the Executive Chairman and CEO, makes an annual recommendation to the Board for each NEO’s base salary, taking into consideration the position of the



NEO's salary against salaries for similar roles at comparator companies, the NEO's experience, knowledge and performance, and the NEO's total direct compensation. Automatic annual or inflation-based adjustments to executive salaries are not typically made at Altius.

During the financial year that ended December 2017, the Committee engaged Hugessen to conduct a salary review for Management which was presented in 2018. This review forms the basis of its Interim review as part of the five-year compensation cycle.

As part of the Hugessen review, it was agreed to develop a comparator group for the purposes of benchmarking executive pay, that differed from the group used to benchmark annual bonus award performance. Whereas the annual bonus award group selection included the largest royalty peer, Franco Nevada, it was agreed that Franco Nevada has a much larger market capitalization and as such is not directly comparable for the purposes of comparing executive pay. The criteria used to narrow the comparator group by size was to include companies that were both smaller and larger than Altius, i.e. from \$225 million to \$2.5 billion in market cap, whereas Franco Nevada is well above this threshold at over \$19 billion as of the date of the circular. This executive pay comparator group is as follows and is also used for Non-Executive Director pay review as described in Section 5.0.

Osisko Gold Royalties	Mountain Province Diamonds
Sandstorm Gold	Sabina Gold & Silver
Largo Resources	Sierra Metals
North American Palladium	Anglo Pacific Group
Lundin Gold	Polymet Mining

The result of the review led to an increase in the base salaries of individuals within the Executive team ranging between 14 - 29%.

At the time of agreeing to this new structure the increased cost to the Corporation was follows:

Additional salary cost	Additional STIP cost (at target)	Total Additional Cash Cost to Corporation (at target)
\$305,000	\$223,000	\$528,000

3.4.2 Short-term Incentives

Under the current Compensation Plan, a target cash bonus consisting of a percentage of the base salary is set for each of the senior executives based on actual performance and measured using an annual scorecard made up of meeting pre-determined objectives within financial, developmental and individual components.

The following table further describes the objectives and the weightings of each component. If annual targets are met, 100% of the target STIP is awarded; if the annual targets are exceeded, the payout increases proportionally up to a maximum threshold of 250% of target.

Component	Measurement and Evaluation Basis
	<p>Financial performance combines three factors:</p> <ul style="list-style-type: none"> Adjusted EBITDA per share (30% of the allocation) - Committee sets an 8% hurdle over the previous corresponding period (+/- adjustments approved by the Committee) to incentivize earnings growth. Performance measurement of Adjusted EBITDA is determined on a graduated scale with 0% payout for 0% growth % below target. Absolute Total Return (10% of allocation) – Measurement of share price (incl dividends) over the 12 months period. In the event of absolute performance falling below 0% then there is 0% payout. Relative Total Shareholder Return (10% of allocation) – Measurement of share price (incl dividends) relative to the agreed peer group over the 12 months period.



Component	Measurement and Evaluation Basis
	<p>The developmental metric measures non-recurring and recurring activities that lead to sustainability and growth of the Corporation's business that may not be necessarily measurable in immediate financial performance metrics. Categories include project prospecting, asset and financial optimization, sustainability, health & safety and environmental objectives. It should be noted that the sustainability, health & safety and environmental objectives are scored on a Pass/Fail metric. Failure, or partial failure, could have significant implications to the entire annual bonus although the Committee could use discretion given the circumstances at the time.</p> <p>Each individual objective is weighted by the Committee in terms of relevance and importance to the Corporation as a whole when setting targets.</p> <p>The Compensation Committee sets specific, measurable objectives at the beginning of the fiscal year in conjunction with the CEO and Executive Chairman. At the end of the fiscal year, the Compensation Committee determines actual performance measurement through a review of whether the specific objectives were met and to what degree specific targets are met.</p>
	<p>Individual performance is evaluated by the Compensation Committee following completion of self-assessment forms and discussions with the CEO/Executive Chairman on leadership, teamwork, individual growth, and commitment to Corporation growth and to good governance. The Executive Chairman's assessment is discussed by the CEO and the Committee and the CEO's assessment is discussed with the Executive Chairman and the Committee.</p>

Commencing in the period that began January 1, 2018, the Compensation Committee has replaced the operating income per share financial metric, which was based on an actual versus budget financial target. This metric was replaced by adjusted EBITDA, applying an 8% growth hurdle to the previous year's actual figures. The Compensation Committee believes that this metric is a better measure of cost of capital and removes the subjective budgeting assumptions from the performance metric. No other changes to the structure of the plan were made.

In addition to the above, senior executives, excluding the CEO and Executive Chair, have an option to participate in a share purchase matching program that is intended to increase their respective equity ownership in the Corporation on an individual basis. If they meet their target bonus, up to 50% of their after-tax cash bonus can be used to purchase Common Shares in the open market, which will be matched for each share purchased with one DSU from the Corporation. The matching DSUs for each participating senior executive vest over a three-year period and are subject to the maintenance of minimum share ownership conditions.

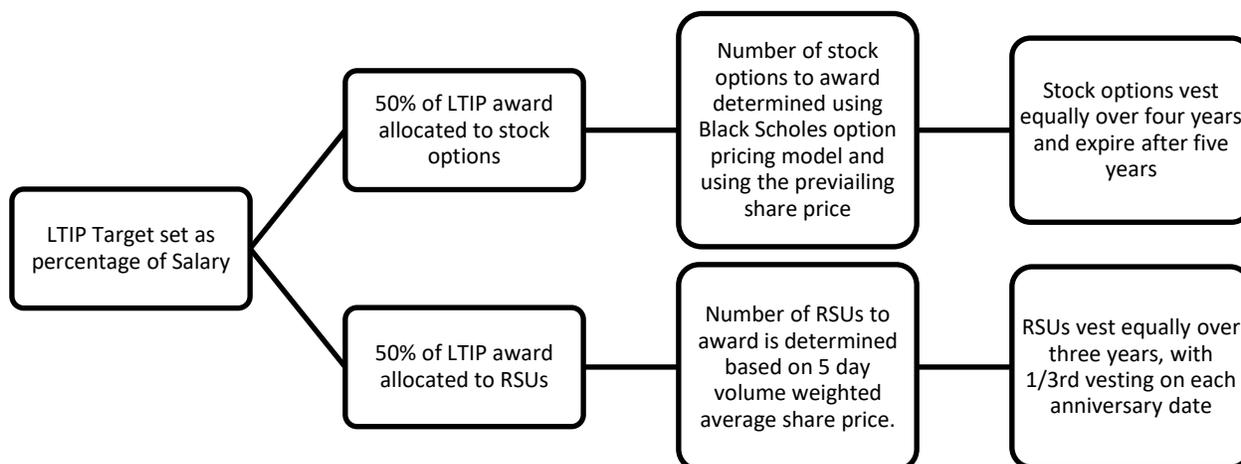
The Board reserves the right to amend and/or terminate the compensation package, including adjusting the mix of short-term and long-term incentives, for a variety of reasons (e.g. the Corporation is in violation of debt covenants or the package would cause a violation of debt covenants).

3.4.3 Long-term Incentives

The Compensation Committee's mandate includes a review of, and recommendations on, all stock option grants under the Corporation's Stock Option Plan.

For the year ended December 31, 2018, the LTIP was a target award set as a percentage of salary, which is the same as the STIP and is based on meeting target, as in the case of the STIP. The LTIP award is then split into 50% RSUs and 50% options. The RSUs vest equally over three years and are paid out in common shares issued from treasury. The options are valued at the time of the award based on Black Scholes and vest equally over four years. At exercise time, options can be settled for cash or on a cashless basis. See below simple flow chart illustrations of how the LTIP is calculated.





The LTIP and STIP targets for each NEO are as follows:

	LTIP	STIP
CEO	100%	100%
Executive Chair	60%	60%
CFO	60%	60%
VP Corporate Development	60%	60%
VP Exploration	60%	60%

3.4.4 Perquisites & Benefits

Altius pays no perquisites or benefits to the NEOs nor are there any pension plans in place for NEOs.

3.4.5 Year Ended December 31, 2018 Performance & Compensation Decisions

The Committee reviewed the performance of Altius relative to the scorecard for the year ended December 31, 2018. Having performed positively and well above its peer group for the first 10 months of the year, the Total Shareholder Return of the Company in the latter part of the year was disappointing and is reflected in the final scorecard.

The Adjusted EBITDA metric fell short of target by 0.6%

Nevertheless, progress on its key developmental scorecard objectives was very positive with notable points being:

- Project Generation - successful monetization of projects well above internal forecasts.
- Internally generated seed companies – significant progress, including financing and project advancement.
- Adventus – value accretion both internally and share price outperformance.
- Acquisition of additional high-quality producing potash assets at “bottom of the market”.
- Labrador Iron Ore strategy – further analysis leading to an updated strategy, additional acquisition of shares and resulting in increased capital valuation and potential income.
- Lithium Royalty initiative - material advancement with three royalties being acquired, of which the Company elected to exercise its option to hold a direct 10% interest in two.
- Vale (Voisey’s Bay) dispute – satisfactory conclusion leading to continuation of royalties under a new and agreed format

Personal Assessments account for 10% of the scorecard weighting and are an important and valuable process that has now become an engaging and constructive exercise to identify strengths and weaknesses on the management team, for professional development and to monitor succession planning.



When reviewing the scorecard, readers should note that a score of 100 is considered as meeting target, with a maximum of 250 for exceeding target. The payout ratio was determined as follows:

Component	Outcome
Financial component (50% weighting)	63.5%
Developmental (40% weighting)	151.76%
Individual (10% weighting)	140%
Overall Payout Ratio	106.45%

Short Term Incentive Plan (STIP) Payout

Executive	Salary \$	Actual STIP \$	Target STIP \$
Brian Dalton	450,000	479,043	450,000
John Baker	400,000	255,490	240,000
Ben Lewis	280,000	178,843	168,000
Chad Wells	225,000	143,713	135,000
Lawrence Winter	225,000	143,713	135,000

Long Term Incentive Plan (LTIP) Award

Executive	Salary C\$	Actual LTIP \$	Target LTIP \$
Brian Dalton	450,000	479,043	450,000
John Baker	400,000	255,490	240,000
Ben Lewis	280,000	178,843	168,000
Chad Wells	225,000	143,713	135,000
Lawrence Winter	225,000	143,713	135,000

Share Matching Program

The Committee notes the share matching program introduced in 2015 has been taken up in full by all eligible senior management members through to the current period ended December 31, 2018. The intention was to encourage further equity participation by those members below the level of CEO and Executive Chairman. The Committee regards this take up positively and has extended this scheme until 2020 when there will be a standard five-year review of Executive Remuneration.

CEO Alignment of Pay and Performance over the Long Term

The Committee believes strongly that the RSU and option package to the CEO, through the LTIP award, is in strong alignment with shareholder experience given that it constitutes 34% of the CEO's 2018 yearly payout. The structure also serves as an incentive to long term share price appreciation.

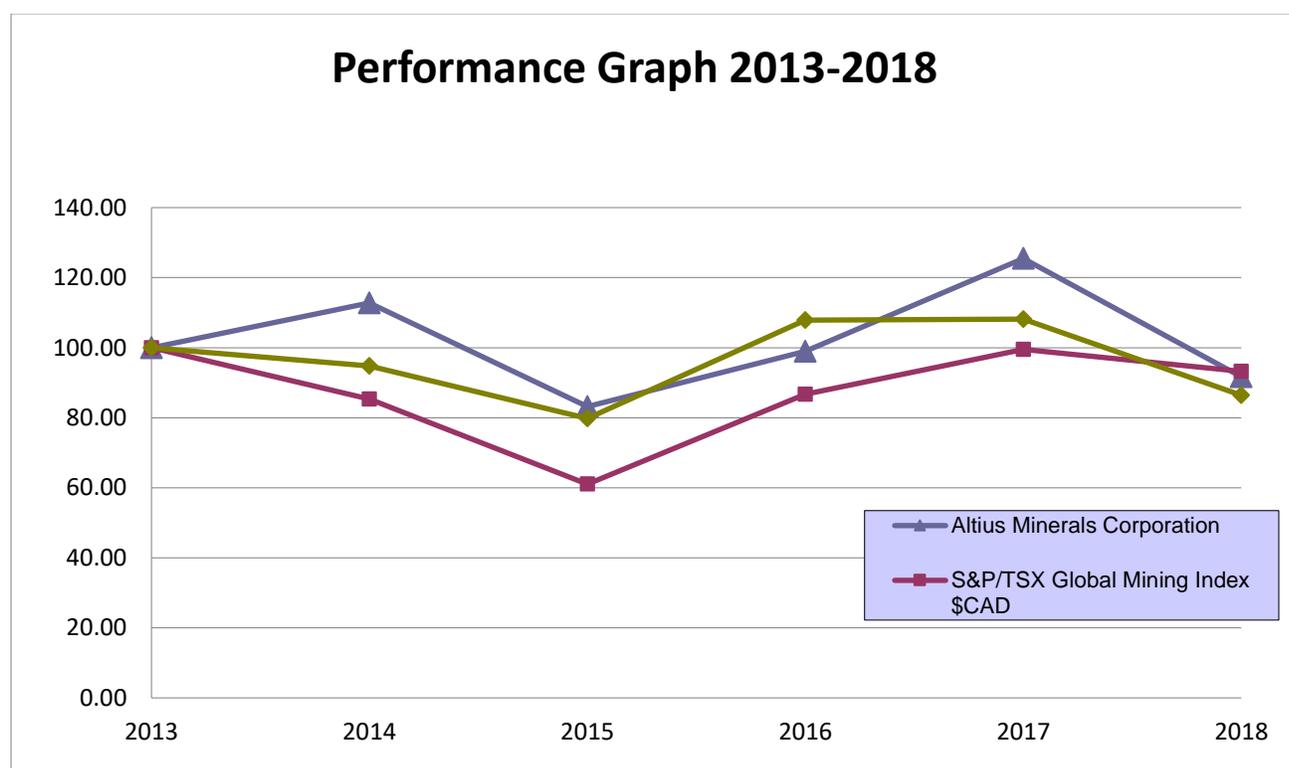
Conclusion

The Board and Compensation Committee have an ongoing commitment to monitor the compensation plans to ensure they are working as expected to align management and shareholder interests as well as provide an appropriate balance of fixed/variable compensation and risk/reward.

3.5 Performance Graph

The following graph illustrates the Corporation's shareholder return on a yearly basis with the starting point being January 1, 2013, assuming an initial investment of \$100 compared to the S&P/TSX Global Mining Index and Small Cap Index, for the comparable period.

5 Year Performance Graph Compared to S&P/ TSX Global Mining Index and S&P/ TSX Small Cap Index



Over the past 5 years Altius has benefitted strongly from its counter cyclical strategies and from volatile cyclical conditions within the mining and commodity sector. A major cyclical downturn between 2011 and 2016 allowed it to deploy significant amounts of capital in acquiring diversified mining royalties at depressed prices. In 2016-17 most mined commodities began cyclical price recoveries, however 2018 was a challenging year for commodities in general and related companies in the sector. This successful counter-cyclical strategy execution has resulted in strong royalty revenue growth and balance sheet strengthening as well as increased interest and deal flow around the mineral exploration projects that Altius's Project Generation business develops.

3.6 Comparison of Performance Trend to Executive Compensation

In order to better incentivize the achievement of long-term shareholder value appreciation in the future, as well as the achievement of short-term realized gains, the Board decided in fiscal 2015 to increase salaries commensurate with other similar firms, implement a pay-for performance package based on meeting specific targets and financially reward overachievement through a combination of STIP and LTIP incentives and measure performance over different time horizons to reflect a range of investment/asset profiles.

In 2018, the Committee engaged Hugessen to conduct a salary review for Management. This review formed the basis of its interim review as part of the five-year compensation cycle. As part of the Hugessen review, it was agreed that a separate compensation comparator group be used to more closely align Altius with companies of similar size and business type given the changes in the company structure since the start of the 5-year cycle. The main recommendation of the review was that executive salaries be increased to more closely resemble those of the peer group. NEOs had salary increases on an individual basis, ranging from 14-29% higher. This recommendation was then proposed by the Compensation Committee and approved by the Board, after which time it was implemented, and took effect from January 1, 2018 onward.



3.7 Summary Compensation Table

The following compensation information relates to amounts paid to our NEOs for the three most recent fiscal years.

Name & Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards ¹ (\$)	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation ³	Total (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)		(\$)	
Brian Dalton, <i>President & CEO/Director²</i>	2018	450,000	239,522	239,522	479,043	-	-	-	1,408,087
	2017 (8)	233,333	165,317	165,317	330,633	-	-	-	894,599
	2017	350,000	218,750	218,750	437,500	-	-	-	1,225,000
John Baker, <i>Executive Chairman²</i>	2018	400,000	127,745	127,745	255,490	-	-	-	910,980
	2017 (8)	233,333	99,190	99,190	198,380	-	-	-	630,093
	2017	350,000	131,250	131,250	262,500	-	-	-	875,000
Ben Lewis, <i>Chief Financial Officer</i>	2018	280,000	89,422	89,422	178,843	-	-	46,000	683,687
	2017 (8)	150,000	63,765	63,765	127,530	-	-	33,000	438,060
	2017	225,000	84,375	84,375	168,750	-	-	43,875	606,375
Chad Wells, <i>V.P. Business Development</i>	2018	225,000	71,857	71,857	143,713	-	-	37,000	549,427
	2017 (8)	116,667	49,595	49,595	99,190	-	-	26,000	341,047
	2017	175,000	65,625	65,625	131,250	-	-	34,125	471,625
Lawrence Winter, <i>V.P. Exploration</i>	2018	225,000	71,857	71,857	143,713	-	-	37,000	549,427
	2017 (8)	116,667	48,545	48,545	97,090	-	-	25,000	335,847
	2017	175,000	65,625	65,625	131,250	-	-	34,125	471,625

Notes

¹ The Company changed its fiscal year end to December 31, 2017 during the current year. As a result, the 2017-(8) period runs from May 1, 2017 to December 31, 2017. The 2017 period is for the year ended April 30, 2017.

² The Fair market value of option-based awards is determined using the Black Scholes pricing model using assumptions as disclosed in the consolidated annual financial statements.

³ None of Mr. Dalton's and Mr. Baker's compensation is for their role as a director of the Corporation.

⁴ All Other Compensation includes the Share Matching Program, whereby certain NEOs may receive matching DSUs if they reinvest a portion of their cash bonus in the Company's common shares.

4.0 INCENTIVE PLAN AWARDS

4.1 Outstanding Share-Based Awards and Option-Based Awards

The following table provides information for each NEO for all awards outstanding at December 31, 2018, the end of the most recently completed fiscal year.



Name & Principal Position	Option-Based Awards (includes stock options and SARs)				Share-Based Awards		
	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 (\$)
	36,558	13.91	8/4/2023	-			
Brian Dalton, <i>President & Chief Executive Officer</i>	65,897	10.65	3/7/2022	10,544	29,854	322,722	2,162
	38,707	10.62	6/7/2021	7,354	-	-	-
	59,957	14.25	24/07/2020		-	-	-
	21,868	13.91	8/4/2023	-			
John Baker, <i>Executive Chairman</i>	39,538	10.65	3/7/2022	6,326	17,890	193,391	210,676
	23,224	10.62	6/7/2021	4,413	-	-	-
	29,979	14.25	24/07/2020		-	-	-
	14,137	13.91	8/4/2023	-			
Ben Lewis, <i>Chief Financial Officer</i>	25,417	10.65	3/7/2022	4,067	17,360	187,662	77,454
	14,930	10.62	6/7/2021	2,837	-	-	-
	23,121	14.25	24/07/2020		-	-	-
	10,934	13.91	8/4/2023	-			
Chad Wells, <i>V.P. Business Development</i>	19,769	10.65	3/7/2022	3,163	13,578	146,778	60,489
	11,612	10.62	6/7/2021	2,206	-	-	-
	17,985	14.25	24/07/2020		-	-	-
	10,713	13.91	8/4/2023	-			
Lawrence Winter, <i>V.P. Exploration</i>	19,769	10.65	3/7/2022	3,163	13,475	145,665	62,147
	11,612	10.62	6/7/2021	2,206	-	-	-
	17,985	14.25	24/07/2020		-	-	-

4.2 Incentive Plan Awards - Value Vested or Earned During the Year

The following table provides information on the value of vested options and share-based awards vested or earned during the most recently completed fiscal year for each NEO.

Name	Option-Based Awards -Value Vested During the Year ¹ (\$)	Share-Based Awards -Value Vested During the Year (\$)	Non-Equity Incentive Plan - Value Earned During the Year (\$)
Brian Dalton	39,049	231,544	-
John Baker	23,431	134,846	-
Ben Lewis	15,061	136,584	-
Chad Wells	11,715	106,998	-
Lawrence Winter	11,715	107,671	-

Note

¹The “value vested” is based on the dollar value that would have been realized if the options had been exercised on the date vested. This is calculated by determining the difference between the market price of the Common Shares on the vesting date and the exercise price of the options that vested. Based on the calculation, there was no value vested on the stock options during the fiscal year because the market price was below the exercise price at the time of vesting. The value vested for RSUs and DSUs is calculated by multiplying the market price of the Common Shares on the vesting date by the number of units that vested.

5.0 DIRECTOR COMPENSATION

The Compensation Committee reviews the compensation of the directors of the Corporation from time to time to ensure that it properly reflects the responsibilities associated with being an effective director. The Committee conducted such a review during the financial year ending December 31, 2018. The Committee engaged Hugessen for the purposes of carrying out this formal review of Director remuneration relative to a peer group as follows:

Osisko Gold Royalties	Mountain Province Diamonds
Sandstorm Gold	Sabina Gold & Silver
Largo Resources	Sierra Metals
North American Palladium	Anglo Pacific Group
Lundin Gold	Polymet Mining

Based on the findings by Hugessen and following a thorough discussion by the Committee, the Board adopted a new compensation structure for the Non-Executive Directors that was in-line with its peer group and simplified in its approach by removing meeting fees.

The Board adopted the following structure until its next formal review in 2020.

Position	Annual Retainer (C\$)	Annual DSU Grant (C\$)
Board Member	40,000	100,000
Lead Director	20,000	
Audit Chair	15,000	
Remuneration – Chair	12,000	
Corporate Governance - Chair	10,000	
Audit – Member	7,500	
Remuneration – Member	6,000	
Corporate Governance - Member	5,000	



In the year ended December 31, 2018, non-executive Board members received compensation by way of payment per annum, with Committee chairs and members receiving an additional payment per annum as described above. The directors were reimbursed for expenses incurred in carrying out their duties as directors, including attending meetings.

No director compensation was paid to directors who are members of management of Altius or any of its subsidiaries.

None of the directors were compensated in their capacity as a director by Altius or any of its subsidiaries during the year pursuant to any other arrangement or in lieu of any standard compensation arrangement.

The following table provides information regarding compensation paid to the directors of Altius for acting in such capacity during the year ended December 31, 2018.

Name	Fees Earned (\$)	Share-Based Awards-DSUs (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Retirement Fund Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Fred Mifflin	86,000	91,847	-	-	-	-	177,847
Donald Warr	47,500	91,848	-	-	-	-	139,348
Jamie Strauss	57,000	91,374	-	-	-	-	148,347
Anna Stylianides	46,000	87,892	-	-	-	-	137,292
André Gaumond	46,000	77,560	-	-	-	-	123,560
Guy Bentinck	47,500	85,365	-	-	-	-	132,865

5.1 Outstanding Share-Based Awards and Option-Based Awards

The following table provides information for each director for all awards outstanding as at December 31, 2018, the end of the most recently completed fiscal year.

Name & Principal Position	Option-Based Awards (includes stock options and SARs)				Share-Based Awards		
	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 (\$)
Fred Mifflin	-	-	-	-	2,500	27,025	455,853
Donald Warr	-	-	-	-	2,500	27,025	455,855
Jamie Strauss	-	-	-	-	2,500	27,025	429,949
Anna Stylianides	-	-	-	-	2,500	27,025	207,234
André Gaumond	-	-	-	-	2,500	27,025	84,385

Guy Bentinck	-	-	-	-	2,500	27,025	102,101
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5.2 Incentive Plan Awards – Value Vested or Earned During the Year

The following table provides information on the value of vested options and share-based awards vested or earned during the most recently completed fiscal year for each non-executive director.

Name	Option-Based Awards -Value Vested During the Year ¹ (\$)	Share-Based Awards -Value Vested During the Year (\$)	Non-Equity Incentive Plan - Value Earned During the Year (\$)
Fred Mifflin	-	91,847	-
Donald Warr	-	91,848	-
Jamie Strauss	-	91,374	-
Anna Stylianides	-	87,292	-
André Gaumond	-	77,560	-
Guy Bentinck	-	85,365	-

Note

¹The “value vested” is based on the dollar value that would have been realized if the option-based awards and share-based awards had been exercised on the date vested. The value vested for stock options is calculated by determining the difference between the market price of the Common Shares on the vesting date and the exercise price of the options that vested. The value vested for DSUs is calculated by multiplying the market price of the Common Shares on the vesting date by the number of units that vested.

6.0 SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of December 31, 2018, the Corporation had a Stock Option Plan and an LTIP. The maximum number of Common Shares which may be reserved for issuance under the equity compensation plans on a combined basis could not exceed 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis, however the amendments to the plan being proposed to shareholders at this annual and special meeting will see that 10% maximum reservation reduced to 5% if approved. The following table sets forth information with respect to the options and rights outstanding under the equity compensation plans as at the date of the circular.

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Options and Rights (#)	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	885,572	12.20	3,400,607
Equity Compensation Plans Not Approved by Security Holders	-	-	-
TOTAL	885,572	12.20	3,400,607⁽¹⁾⁽²⁾

Note

(1) Includes Common Shares issuable under the LTIP



- (2) Proposed plan amendment to 5% would result in 1,257,518 securities remaining available under the LTIP and Option plans

6.1 Option Re-pricings

The Corporation did not re-price any options during the 12 months ended December 31, 2018.

6.2 Employment Contracts and Termination of Employment Arrangements

The Corporation has entered into written employment agreements with the NEOs on terms and conditions comparable to the practice of other public issuers in the same industry and market. The agreements include roles and responsibilities, confidentiality and termination in accordance with existing laws and change in control.

For all NEOs, termination provisions are included to provide a payment of two (2) times annual base salary plus the award of pro-rated STIP and LTIP to reflect service in the fiscal year in which termination occurs in the event of a termination without cause or a termination following a change of control of the Corporation (a “**Change of Control**”). In addition, the Corporation shall continue the participation of the NEOs in the medical benefit plans sponsored by the Corporation until the end of the severance period or until the NEO secures alternate employment with comparable benefit coverage.

In the case of a Change of Control, the above noted payments, awards and benefits are payable if the Corporation terminates an NEO’s employment or the NEO submits his resignation as a result of an event of good reason (being a material change in responsibilities, authority or status, a reduction in base salary or benefits, or a requirement to relocate outside the Province of Newfoundland and Labrador). No other conditions apply to the receipt of such payments or benefits.

The incremental payments, payables and benefits to NEOs in the event of termination without cause or termination following a Change of Control are estimated to be as follows assuming that the triggering event took place on the last business day of the Corporation’s most recently completed financial year:

Name & Principal Position	Cash Severance		Unvested Equity Acceleration ³		Total
	Base Salary ¹	Bonus ²	Stock Options	Share-based awards	
Brian Dalton <i>President & Chief Executive Officer</i>	900,000	958,087	17,898	324,884	2,200,869
John Baker <i>Executive Chairman</i>	800,000	510,980	10,739	404,067	1,725,786
Ben Lewis <i>Chief Financial Officer</i>	560,000	357,687	6,903	265,115	1,189,705
Chad Wells <i>V.P. Corporate Development</i>	450,000	287,427	5,369	207,628	950,424
Lawrence Winter <i>V.P. Exploration</i>	450,000	287,427	5,369	207,811	950,607

Notes:

- All NEOs are entitled to receive two times their annual base salary in the event of termination without cause or termination subsequent to a change of control.
- Bonus LTIP and STIP is negotiated in the event of a termination payment. The estimate provided is based on last fiscal year’s payout.



3. In the event of a termination without cause, all share based compensation units will vest for an additional 2 years. In the event of a termination following a change of control of the Corporation, all unvested share based units will vest immediately.

7.0 CORPORATE GOVERNANCE

7.1 Board of Directors

The Board is currently comprised of seven directors, two of whom (John Baker and Brian Dalton) have been directors since the Corporation was founded in 1997. During the year ending December 31, 2018, the Board was comprised of eight directors. In January 2019, Guy Bentinck resigned from the Board, leaving a current Board size of seven. The Company is proposing eight directors for election at this Annual & Special Meeting. Brian Dalton, the CEO, and John Baker, the Executive Chairman, are members of management and therefore are not considered independent for purposes of NI 58-101. Former director Guy Bentinck and current directors André Gaumond, Fred Mifflin, Donald Warr, Jamie Strauss, and Anna Stylianides are independent for purposes of NI 58-101. The independent directors hold a minimum of four scheduled and minuted in-camera meetings per year following regularly scheduled Board meetings, at which non-independent directors and members of management are not in attendance. Independent directors of the Board can meet at the request of any independent director. The independent directors exercise their responsibilities for independent oversight of management and provide leadership through their majority position on the Board and ability to meet independently of management whenever deemed necessary.

Fred Mifflin acts as lead director and in such capacity chairs the meetings of the independent directors and reports to the Board as required. In addition, the lead director is charged with the responsibility of assisting the independent directors with fulfilling their governance responsibilities and overseeing obligations of the Board and its committees generally.

7.2 Definition of “Independent” Board Member

Consistent with NI 58-101, in order for a director to be considered “independent” the Board must make an affirmative determination, by a resolution of the Board as a whole, that the director being reviewed has no material relationship with the Corporation other than as a director, either directly or indirectly (such as through being a partner, shareholder or officer of another entity that has a relationship with the Corporation). In each case, the Board broadly considers all relevant facts and circumstances.

Generally, a director will not be deemed to be “independent” if, within the preceding three years:

- (a) the director was an executive officer or employee of the Corporation or any of its subsidiaries;
- (b) an immediate family member of the director was employed by the Corporation as an executive officer;
- (c) the director, or an immediate family member, was a current partner of a firm that is the Corporation’s internal or external auditor or within the last three years (but no longer) a partner or employee of such a firm and personally worked on the Corporation’s audit within that time;
- (d) the director was a current employee of the Corporation’s internal or external auditor;
- (e) an immediate family member of the director was a partner of the Corporation’s internal or external auditor, was an employee of that firm and participates in the firm’s audit, assurance or tax compliance (but not tax planning) practice, or was within the last three years a partner or employee of that firm and personally worked on the Corporation’s audit within that time; or



- (f) a director, or an immediate family member, received more than CAD\$75,000 annually in direct compensation from the Corporation, other than director and committee fees and pensions or other forms of deferred compensation, so long as such compensation was not contingent on continued service.

An “immediate family member” includes a director’s spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than domestic employees) who shares such director’s home.

7.3 Committees of the Board of Directors

The Board functioned under three established committees for the year ended December 31, 2018, all of which had written mandates. Such mandates included a description of the role and responsibilities of the Chair of the committee, which include presiding over committee meetings, reporting to the Board with respect to the activities of the committee, and leading the committee in regularly reviewing and assessing the adequacy of its mandate and its effectiveness in fulfilling its mandate. All committees were comprised of a minimum of three board members, the majority of whom were independent.

A copy of the respective position descriptions for the Executive Chairman, the chair of each Committee and the CEO, together with the rest of the Board mandate, can be found at <http://www.altiusminerals.com/corporate-governance>. These position descriptions are reviewed by the Corporate Governance and Nominating Committee on a bi-annual basis.

7.3.1 Corporate Governance and Nominating Committee

Responsibility for monitoring and assessing the effectiveness of the Board, its committees and directors rests with the Corporate Governance and Nominating Committee. The Committee assists the Board in developing the Corporation’s approach to its own governance by:

- regularly updating and overseeing the Corporation’s governance policies and making corporate governance policy recommendations aimed at enhancing Board effectiveness;
- annually reviewing the Board and its members in terms of their composition, structure, and size as well as effectiveness, knowledge and contribution to the governing of the Corporation;
- annually reviewing each director’s status to determine whether he/she remains independent as that term is defined in NI 58-101;
- ensuring Board members participate in appropriate continuing education programs;
- identifying and recommending individuals qualified to become members of the Board;
- overseeing the succession planning for the Corporation’s CEO and other senior executive officers; and
- bi-annually reviewing all Committee Charters and Terms of Reference as to their applicability;

The Corporate Governance and Nominating Committee is comprised of three directors, each of whom, in the judgement of the Board, meets the independence requirements of applicable securities legislation and policies for nominating committee members. For the year ended December 31, 2018, the Corporate Governance and Nominating Committee was comprised of Anna Stylianides (Chair), Jamie Strauss and Guy Bentinck, with Fred Mifflin as lead director serving as an ex-officio member.

7.3.2 Audit Committee

The purpose of the Corporation’s Audit Committee is to provide assistance to the Board in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance functions of the Corporation, which will be provided to Shareholders of the Corporation and others. The Audit Committee oversees the Corporation’s financial reporting process on behalf of the Board and reports the results to the Board. While the Audit Committee



has the responsibilities and powers set forth in its mandate, it is not the duty of the Committee to plan or conduct audits or to determine if the Corporation's financial statements are complete and accurate and are prepared in accordance with International Financial Reporting Standards.

Management is responsible for preparing the Corporation's financial statements and the independent auditors are ultimately accountable to the Board and the Committee, as representatives of the Shareholders.

It is the objective of the Audit Committee to maintain free and open communications among the Board, the independent auditors and the financial and senior management of the Corporation.

For the year ended December 31, 2018, the Audit Committee was comprised of Fred Mifflin (Chair), Don Warr, and Guy Bentinck. All members are financially literate and are independent, as defined under Sections 1.4 and 1.5 of National Instrument 52-110 - *Audit Committees*. For further information on the Audit Committee policy and charter, please refer to the Corporation's Annual Information Form dated March 12, 2019, which is available on SEDAR.

7.3.3 Compensation Committee

As discussed above in the CD&A, the Corporation has established a Compensation Committee that annually reviews the compensation of senior management and the directors. The recommendations of the Compensation Committee are presented to the Board for approval.

For the year ended December 31, 2018, the Compensation Committee was comprised of Jamie Strauss (Chair), Fred Mifflin and André Gaumont.

7.4 Board Committee Meetings

The Audit Committee and independent directors meet at least four times annually; the Compensation Committee and the Corporate Governance and Compensation Committee each meets at least once annually.

7.5 Orientation and Continuing Education

Proposed new directors are provided with an information package regarding the business and operations of the Corporation which fully apprises them of such matters and of the duties and responsibilities of the directors pursuant to applicable law and policy. Orientation of new directors includes briefings with the Chair of the Board, the Audit, Compensation and Corporate Governance and Nominating Committees and the independent directors. New directors also receive access to senior management through an orientation session to discuss operations, current business strategies and historical information about the Corporation. They are also provided with a binder of all corporate charters, position descriptions and policies. The orientation program is reviewed bi-annually by the Corporate Governance and Nominating Committee. In 2018, the Corporate Governance and Nominating Committee introduced a skills matrix and self-assessment process which has been used constructively in evaluation, succession planning and addressing Board renewal.

The Corporation encourages and supports Board members to pursue available continuing education opportunities, including opportunities within the mineral industry and with respect to their corporate governance responsibilities. The approach was developed to help directors maintain and enhance their skills and abilities and update their knowledge and understanding of the Company and its industry. Key components of the program include regular briefings through bi-monthly written reports of activities to directors, quarterly operations' reports and specific presentations to the Board. Directors also participate in external education seminars at the Corporation's expense that are relevant to their role on the board such as the PDAC Conference in Toronto and the Newfoundland and Labrador Mineral Resources Review in St. John's. In addition, several directors attend Deloitte's Corporate Governance Seminar Series, Beyond Compliance, as well as the Institute of Corporate Directors corporate governance series.



7.6 Ethical Business Conduct

The Corporation will only nominate to its Board individuals who personify a culture of ethical business conduct. The Board at all times expects management to operate the business of the Corporation in a manner consistent with the highest level of integrity such that the Corporation may serve as an example within its industry group. Board members are expected to comply at all times with the highest standards respecting conflicts of interest imposed by applicable corporate law.

The Corporation has adopted a written business Code of Conduct and Ethics posted on its corporate website at <http://www.altiusminerals.com/corporate-governance>. The Code of Conduct and Ethics applies to employees, officers, directors and consultants of Altius, and to anyone retained by Altius in a similar capacity. Altius and its subsidiaries and affiliates are committed to conducting business with people in the same respectful manner and applying the same ethical principles and standards that would be expected and sought from others, and free from all forms of discrimination and harassment. The employees, officers and consultants that represent Altius are expected to always act in a manner that enhances the reputation of the Corporation for honesty, fairness, competency and professionalism. The integrity of Altius relies upon the uncompromising personal integrity of each employee.

The Code of Conduct and Ethics is reviewed bi-annually by the Corporate Governance and Nominating Committee and is monitored for compliance by senior management of the Corporation.

7.6.1 Whistleblower Policy

The Canadian Securities Administrators include in their audit committee and certification rules for reporting issuers a requirement that reporting issuers have a whistleblower policy that provides procedures for the handling of complaints regarding accounting, internal control and auditing matters, and confidential, anonymous submissions by employees of the issuer regarding concerns about questionable accounting or auditing matters.

Altius is in compliance with Canadian whistleblower regulations. Employees are able to make complaints online or by phone, with the complaint going to the Chair of the Audit Committee.

7.7 Nomination of Directors

The size and current membership of the Board is reviewed each year when the directors fix the number of directors to sit on the Board, taking into account the number of directors required to carry out the Board's duties effectively and to maintain a diversity of views and experience. The Corporate Governance and Nominating Committee, which is comprised of independent directors, serves the function of a nominating committee and is formally responsible for coordinating the recruitment and recommendation of new candidates and for recommending such candidates to the Board.

When considering a new Board member, the Corporate Governance and Nominating Committee considers the qualities and skills that the Board, as a whole, needs, and assesses the competencies and skills of the current Board members. Based on the talent already represented on the Board, the Corporate Governance and Nominating Committee then identifies specific skills, personal qualities or experiences that a candidate should possess in light of the opportunities and risks facing the Corporation. Potential candidates are screened to ensure they possess the requisite qualities including integrity, business judgment and experience, business or professional experience, mining and/or natural resource experience, independence from management, international experience, financial literacy, communications skills and the ability to work well with the Board and management. The Corporate Governance and Nominating Committee considers existing commitments of each potential candidate to ensure that such a candidate will be able to fulfill his or her obligations as a Board member.



The Corporate Governance and Nominating Committee maintains a list of potential director candidates for its future consideration and may engage outside advisors to assist in identifying other potential candidates.



7.8 Assessments

The Corporate Governance and Nominating Committee meets a minimum of once per year and the Corporation has quarterly meetings of its independent directors to discuss the effectiveness of the Board and its committees, identify weaknesses and areas of opportunity and where procedural or substantive changes are needed to increase the effectiveness of the Board and its committees. Any identified improvements are discussed with the Chairman of the Board and implemented and overseen by the Board and the Corporate Governance and Nominating Committee. The new Skills Matrix and Board Self-Assessment that was introduced by the Corporate Governance and Nominating Committee in 2018 are both essential tools in this ongoing evaluation process. In identifying and considering potential new candidates for the Board when vacancies arise and as part of the Company's ongoing Board succession plan, and when evaluating directors, the Corporate Governance and Nominating Committee has access to the skills matrix to identify and assess the Board's skills. The director nominees have the skills and experience shown in the following matrix:

BOARD OF DIRECTORS EXPERTISE MATRIX

Skill/Experience	Results
Public Company Board Experience Prior experience as a board member of a publicly listed company (other than Altius) and knowledge of public company regulatory compliance.	6/7
Mining Industry Experience Knowledge of the mining industry, market and business imperatives, international regulatory environment and stakeholder management.	7/7
Mergers & Acquisitions Experience in mergers and acquisitions.	7/7
Mining Finance Experience in finance for the mining industry.	7/7
Joint Ventures Experience negotiating and operating in a joint venture environment.	5/7
International Experience Experience working in an organization that has business in one or more developing nations.	5/7
Dealing with Governments Experience in, or a good understanding of, the workings of governments and public policy domestically and internationally.	5/7
Executive Experience Experience working as a senior officer of a publicly listed company or major organization.	6/7
Legal Experience on legal matters with a publicly listed company or major organization including drafting and negotiating contracts, conducting financings, dealing with regulatory bodies on securities, corporate or other regulatory matters.	4/7
Corporate Governance Knowledge of good corporate governance practices and policies and experience in implementing them.	7/7
Financial Literacy The ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues faced by the Company, or experience in financial accounting and reporting and corporate finance (familiarity with internal financial controls, Canadian or US GAAP and/or IFRS).	6/7
Risk Management Experience in overseeing policies and processes to identify a resource company's principal business risks and to confirm that appropriate systems are in place to mitigate these risks.	6/7
Royalty Company Experience Experience working inside or on the board of a royalty company.	4/7
U.S. Compliance Knowledge of U.S. compliance issues.	2/7



Skill/Experience	Results
Business Judgment Track record of leveraging own experience and wisdom in making sound strategic and operational business decisions, demonstrates business acumen and a mindset for risk oversight.	7/7
Corporate Responsibility and Sustainable Development Understanding and experience with corporate responsibility practices and the constituents involved in sustainable development policies.	6/7
Media Relations Experience in dealing with the media on matters relating to operations and public relations issues.	4/7
Human Resources Prior or current experience in executive compensation and the oversight of succession planning, talent planning and retention programs.	7/7

As noted above, the Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation.

7.9 Disclosure Policy

It is fundamental to securities regulation that everyone investing in securities has equal access to information that may affect their investment decisions. Altius is required by applicable securities laws and timely disclosure policies of the TSX to disclose publicly through the news media all material information relating to Altius immediately upon the information becoming known to management or, if the information is already known to management, immediately upon management becoming aware that the information is material. In certain limited circumstances, disclosure of material information may be delayed for reasons of corporate confidentiality. In these cases, the Investment Industry Regulatory Organization of Canada (“IIROC”) will be notified and, if the material information is also a material change, a confidential material change report will be filed.

Except in limited circumstances where disclosure would be unduly detrimental to Altius (and then subject to the requirements of applicable securities laws), Altius will immediately disclose all material information by way of a press release. Altius will follow up the press release by filing with applicable securities regulators a material change report where required under applicable securities laws. Both the press release and, where applicable, the material change report, must be filed with securities regulatory authorities via SEDAR.

For further information on corporate disclosure, confidentiality and insider trading, please refer to the Corporation’s Corporate Disclosure Policy and Code of Conduct and Ethics on the investor information section of the Corporation’s website at <http://www.altiusminerals.com/corporate-governance>.

7.10 Director Term Limits and Other Mechanisms of Board Renewal

The Board undertakes a robust annual assessment process that from 2018 includes director reviews conducted through completion of an annual assessment questionnaire regarding the performance and effectiveness of the Board, each committee and each director, and one-on-one conversations between the Executive Chair of the Board and the chair of the Corporate Governance and Nominating Committee. The Executive Chair of the Board will have informal discussions with directors on a selective basis, as required, to fully understand any concerns raised or recommendations advanced in the assessment process, before reporting to and leading a discussion among the full Board. Based on the results of the questionnaire and the skills matrix identified above, the Corporate Governance and Nominating Committee may recommend adjustments from time to time to ensure necessary and desirable competencies and characteristics are represented on the Board and the Board is of a size and composition that facilitates effective decision making.

The Company has not adopted a mandatory retirement age for directors or imposed any term limits or any restrictions on a director’s ability to stand for re-election. The Company is of the opinion that imposing



such restrictions could put the Company at risk of losing longer serving directors who have an in-depth knowledge and understanding of the Company and its business. This loss of knowledge and understanding would not necessarily be in the best interests of the Company or its shareholders.

However, to balance the benefits of experience with the need for new perspective, the Board Diversity Policy provides that annually the Board will consider the need for and, if deemed necessary, implement a renewal program intended to achieve what the Board believes to be a desirable balance of skills, experience, expertise, gender, age and other diversity criteria. In considering and identifying new directors for nomination, the Corporate Governance and Nominating Committee will meet to identify the particular skills needed of new recruits. Among other things, the Corporate Governance and Nominating Committee uses the skills matrix identified above and the results of the assessment questionnaire and, together with input from the Executive Chair of the Board and, if appropriate, the CEO, determines the necessary attributes and experience required of a new member which would represent the best fit for the Board and future needs of the Company. Once a list of key attributes, skills and competencies for a potential new director is identified, the Corporate Governance and Nominating Committee then creates a list of possible candidates for consideration and evaluation, which are then presented to the full Board for further discussion and evaluation. Only after rigorous discussion by the Corporate Governance and Nominating committee and the Board is a short-list of potential Board candidates created, following which the Board works together with the Corporate Governance and Nominating Committee to develop the best plan to recruit the preferred candidate(s).

7.11 Policies Regarding the Representation of Women on the Board

In 2017, the Corporation adopted formal Board Diversity and Management Diversity Policies, which confirm the Company's commitment to achieving and maintaining diversity on the Board, with a specific emphasis on gender diversity. The Company recognizes and embraces the benefits of having a diverse Board that may draw on a variety of perspectives, skills, experience and expertise to facilitate effective decision making. The Company also views diversity at the Board level as an important element in strong corporate governance.

The Company recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board. Candidates will be recommended for appointment or election as directors based on merit considered against objective criteria, having due regard for the benefits of diversity. The Company believes other aspects of diversity must also be considered, including skills, experience, education, age, ethnicity, and geographical and cultural background, to ensure that the Board, as a whole, reflects a range of viewpoints, background, skills, experience and expertise. The Corporate Governance and Nominating Committee generally identifies, evaluates and recommends candidates to become members of the Board with the goal of creating a Board that, as a whole, consists of individuals with various and relevant career experience, industry knowledge and experience, and financial and other specialized expertise.

Under the new Board Diversity Policy, the Corporation aspires to attain, by its 2019 annual meeting and thereafter maintain, a Board composition in which at least 20% of the independent directors are women. During the eight months ended December 31, 2017, the Board was initially compliant with this goal, with two women directors (Susan Sherk and Anna Stylianides) of the seven-member Board, or 40% of the five independent directors. Following Ms. Sherk's retirement, Mr. Gaumont's appointment and election, and most recently the retirement of Mr. Bentinck, there is one woman (20.0%) of the five independent members, with the percentage reducing to 16.7% of the six independent directors assuming the Board returns to an eight-person Board following the 2019 election of eight nominees. The Corporate Governance and Nominating Committee is in the process of assembling a list of qualified director candidates that includes a list of female candidates with a view to increasing the female representation on the Board of Directors as soon as possible.



7.12 Consideration of the Representation of Women in Executive Officer Appointments

The Corporation is sensitive to the representation of women when making executive officer appointments. As of the date of this Circular, no women occupy executive officer positions within the Corporation. However, in 2017, the Corporation adopted the aforesaid Management Diversity Policy, which has not set numeric targets, but which seeks to recognize the importance of continuing advancement of women in current management positions. As of December 31, 2018, the Corporation had fourteen full-time employees including 5 women, two of which are at the management level. Under the new policy, the Corporation has a succession plan in place in which those women who are currently in management positions will receive full consideration for advanced management and related skills training and have full consideration in any opening in the management group. The Corporation will undertake a number of initiatives that will help females within the organization to advance within the work place. This will include internal or external training, mentorship, networking programs as well as external diversion and inclusion committees and flexible and work/family arrangements. The objective of this increased training is to increase the number of women among the executive officers going forward.

7.13 The Corporation's Targets Regarding the Representation of Women on the Board of Directors and in Executive Officer Positions

Under the new Board Diversity Policy, the Corporation aspires to ensure that in the future at least 20% of the independent directors are women. The Corporation has not adopted a formal target regarding women in executive officer positions, but the new Management Diversity Policy demonstrates the commitment to advance women toward the fulfillment of executive officer roles.

7.14 The Corporation's Adoption of an Executive Compensation Clawback Policy, Effective Q2 2019

In 2018, following a period of consultation that included shareholder outreach, the Board of Directors has agreed in 2019 to adopt an Executive Compensation Clawback Policy, summarized as follows:

- Named Executive Officers are subject to a clawback of their incentive compensation if the Corporation's financial statements are required to be restated for reasons other than changes in accounting policy. Reasons requiring a restatement (and for which the clawback applies) may be due to material error, fraudulent behaviour or other intentional misconduct of such executive officers.
- The clawback applies to both current Named Executive Officers and former Named Executive Officers, if the restatement occurred within the last 2 years and the Named Executive Officers were in office at the time of the event that caused the restatement. If the restatement applies to a historical period that is more than two years old, then the clawback does not apply.
- The clawback applies if the value of the incentive compensation paid to the Named Executive Officers would have been lower under the restated financials.
- All Named Executive employment contracts are being reviewed to ensure that the adoption of this policy is reflected in the employment contracts of the Named Executive Officers, both current and in the future.
- The policy will be reviewed every 2 years, consistent with the period of policy review for other policies of the Corporation.

8.0 INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

Management is not aware of any indebtedness outstanding by any of its directors, executive officers or any of their associates, or any guarantees, support agreements, letters of credit or similar arrangements provided



by the Corporation or any subsidiaries, to these individuals, at any time since the commencement of the last completed financial year.

9.0 INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, of any proposed nominee for election as a director, or any associates or affiliates of any of these individuals, in any matter to be acted on at the Meeting other than the election of directors.

10.0 DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation carries directors' and officers' liability insurance covering acts and omissions of the directors and officers of the Corporation. The policies have a combined aggregate limit of \$40 million over a term of one year. The premium paid by the Corporation was \$77,090 in respect of its directors and officers as a group for the 12 months ending December 14, 2018. The corporate policy provides for the Corporation to absorb a deductible amount of \$25,000 on each loss and \$50,000 with respect to securities and oppressive conduct claims.

11.0 OTHER BUSINESS

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual and Special Meeting. If any other matter properly comes before the Meeting, any proxy in the form provided by management will be voted on those matters in accordance with the best judgment of the Management Proxyholders.

12.0 ADDITIONAL INFORMATION

Additional financial information regarding the Corporation's business is contained in the audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2018. These statements and all the continuous disclosure documents submitted to the Canadian securities regulatory authorities can be found on SEDAR at <http://www.sedar.com>. Shareholders may request a copy of the financial statements and management's discussion and analysis at P.O. Box 8263, Station "A", St. John's, NL, A1B 3N4, Canada, or Suite 202, Kenmount Business Center, 66 Kenmount Road, St. John's, NL, A1B 3V7, Canada.

13.0 APPROVAL OF DIRECTORS

The contents of this Circular and the sending, communication or delivery thereof to the shareholders entitled to receive the Notice of the Meeting, to each director of the Corporation, to the auditors of the Corporation and to the appropriate governmental agencies have been approved and authorized by the directors of the Corporation.

DATED March 24, 2019



Brian Dalton, Chief Executive Officer



