



ALTIUS MINERALS CORPORATION

(the “Corporation”)

Notice and Management Information Circular

for the Annual and Special Meeting to be held on Tuesday, May 15, 2018

April 3, 2018



ALTIUS MINERALS CORPORATION

ALTIUS MINERALS CORPORATION NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS May 15, 2018

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 11:00 AM (NLT) on Tuesday, May 15, 2018, for the following purposes:

1. **to receive the consolidated financial statements of the Corporation for its financial year ended December 31, 2017, 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 all unallocated rights and other entitlements under the LTIP; 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 8 month period ended December 31, 2017. The Corporation had a shortened fiscal year (8 months from May 1 to December 31) 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>. 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, April 3, 2018.



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 Friday, May 11, 2018, 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 April 3, 2018 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 Friday, May 11, 2018, 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.



TABLE OF CONTENTS

1.0 GENERAL	5
1.1 Solicitation of Proxies.....	5
1.2 Notice and Access.....	5
1.3 Voting of Shares – Registered Shareholders.....	6
1.3.1 How to Vote in Person.....	6
1.3.2 How to Vote by Proxy.....	6
1.3.3 How to Change your Vote.....	7
1.4 Voting by Non-Registered Shareholders.....	7
1.4.1 How to Vote by Voting Instruction Form.....	7
1.4.2 How to Vote in Person.....	7
1.4.3 How to Change your Vote.....	7
1.5 Voting Shares and Principal Shareholders.....	8
2.0 BUSINESS OF THE MEETING	8
2.1 Receipt of Financial Statements.....	8
2.2 Appointment and Compensation of Auditors.....	8
2.3 Election of Directors.....	8
2.3.1 Cease Trade Orders or Bankruptcies.....	13
2.3.2 Penalties and Sanctions.....	13
2.3.3 Indemnification and Insurance.....	14
2.4 Summary of the LTIP.....	14
3.0 STATEMENT OF EXECUTIVE COMPENSATION - COMPENSATION DISCUSSION AND ANALYSIS	18
3.1 Introduction.....	18
3.2 Role and Composition of the Compensation Committee.....	18
3.2.1 Role of Management in Compensation Decisions.....	20
3.2.2 Appointment and Role of Compensation Consultants.....	20
3.3 Executive Compensation Philosophy.....	20
3.3.1 Competitive Benchmarking.....	21
3.3.2 Comparator Group.....	21
3.3.3 Compensation Risk Management.....	22
3.4 Key Activities Undertaken by the Compensation Committee.....	22
3.4.1 Base Salary.....	23
3.4.2 Short-term Incentives.....	23
3.4.3 Long-term Incentives.....	24
3.4.4 Perquisites & Benefits.....	24
3.4.5 Eight-Months Ended December 31, 2017 Performance & Compensation Decisions.....	24
3.5 Performance Graph.....	27
3.6 Comparison of Performance Trend to Executive Compensation.....	28
3.7 Summary Compensation Table.....	28
4.0 INCENTIVE PLAN AWARDS	29
4.1 Outstanding Share-Based Awards and Option-Based Awards.....	29
4.2 Incentive Plan Awards - Value Vested or Earned During the Year.....	30
4.3 Other Key Terms of Incentive Plans.....	31



5.0 DIRECTOR COMPENSATION	33
5.1 Outstanding Share-Based Awards and Option-Based Awards	34
5.2 Incentive Plan Awards – Value Vested or Earned During the Year	34
6.0 SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	35
6.1 Option Re-pricings	35
6.2 Employment Contracts and Termination of Employment Arrangements	35
7.0 CORPORATE GOVERNANCE	36
7.1 Board of Directors	36
7.2 Definition of “Independent” Board Member	37
7.3 Committees of the Board of Directors	37
7.3.1 Corporate Governance Committee	38
7.3.2 Audit Committee	38
7.3.3 Compensation Committee	38
7.4 Board Committee Meetings	39
7.5 Orientation and Continuing Education	39
7.6 Ethical Business Conduct	39
7.6.1 Whistleblower Policy	39
7.7 Nomination of Directors	40
7.8 Assessments	40
7.9 Disclosure Policy	41
7.10 Director Term Limits and Other Mechanisms of Board Renewal	41
7.11 Policies Regarding the Representation of Women on the Board	41
7.12 Consideration of the Representation of Women in the Director Identification and Selection Process	42
7.13 Consideration of the Representation of Women in Executive Officer Appointments	42
7.14 The Corporation’s Targets Regarding the Representation of Women on the Board of Directors and in Executive Officer Positions	42
8.0 INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS	42
9.0 INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	43
10.0 DIRECTORS’ AND OFFICERS’ LIABILITY INSURANCE	43
11.0 OTHER BUSINESS	43
12.0 ADDITIONAL INFORMATION	43
13.0 APPROVAL OF DIRECTORS	43
SCHEDULE “A” – LONG TERM INCENTIVE PLAN	44



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 11:00 AM (NLT) on Tuesday, May 15, 2018 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 Friday, May 11, 2018, 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 April 3, 2018 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, 2018.

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 11, 2018, 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 and (3) approve all unallocated rights and other entitlements under 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 11, 2018;
- 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 and (3) the approval of all unallocated options, rights and other entitlements under 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 April 3, 2018, 43,215,026 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, no corporation or person beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation that have the right to vote in all circumstances.

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, 2017, 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 2018 Annual Information Form for the year ended December 31, 2017, which is available on the Corporation's website at <http://www.altiusminerals.com> and was also filed on SEDAR on March 15, 2018.

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 8 months ended December 31, 2017; 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, 45 <i>President and Chief Executive Officer of the Corporation</i> Newfoundland and Labrador, Canada</p> <p>Committees: N/A</p> <p>Common Shares: 1,346,079¹</p> <p>Options: 164,561</p> <p>DSUs: nil</p> <p>RSUs: 35,403</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. In his 20 years at Altius, he has grown the company to an asset base in excess of \$500 million through diligent implementation of the prospect generator/joint venture business model and royalty acquisition/creation. Brian is an active member of various industry organizations and volunteer boards and has been honoured with numerous awards for his entrepreneurial leadership.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since 1997 • Meetings attended: <ul style="list-style-type: none"> - Board: 6 of 6 • Non-independent Board Member (President and CEO of the Corporation) • Indebtedness to Corporation: <i>nil</i>
<p>John Baker, Q.C., 64 <i>Executive Chairman of the Corporation</i> Newfoundland and Labrador, Canada</p> <p>Committees: N/A</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 until June 2014, where he conducted an extensive and diverse mining, securities, and corporate/commercial practice. He has served</p>



<p>Common Shares: 612,016²</p> <p>Options: 92,741</p> <p>DSUs: 19,182</p> <p>RSUs: 20,639</p>	<p>on numerous public company and volunteer boards and has received several awards for public service.</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: <ul style="list-style-type: none"> - Board: 6 of 6 • Non-independent Board Member (Executive Chairman of the Corporation) • Indebtedness to Corporation: <i>nil</i>
<p>Guy Bentinck, 52 <i>Chief Financial Officer of Fairfax Africa Holdings Limited</i> Toronto, Canada</p> <p>Committees: Audit, Corporate Governance</p> <p>Common Shares: nil</p> <p>Options: nil</p> <p>DSUs: 4,328</p> <p>RSUs: nil</p>	<p>Guy joined the Altius Board on May 8, 2017 and is currently Chief Financial Officer of Fairfax Africa Holdings Limited, an investment holding company publicly traded on the Toronto Stock Exchange focused on investing in Africa. Prior to that role, Mr. Bentinck served as President and CEO of Potash Ridge Corp from 2010-17, a consultant to Hamblin Watsa Investment Counsel, a wholly-owned subsidiary of Fairfax Financial Holdings Limited that provides global investment management services to the insurance and reinsurance subsidiaries of Fairfax.</p> <p>Mr. Bentinck has over 20 years of public company experience in the natural resources sector, including President and Chief Executive Officer of Potash Ridge Corporation, Chief Financial Officer and Senior Vice President, Capital Projects at Sherritt International Corporation and Chief Financial Officer of Royal Utilities Income Trust.</p> <p>Mr. Bentinck also worked for 10 years with PricewaterhouseCoopers LLP in corporate finance, restructuring, and audit. Mr. Bentinck holds an M.A. in Accounting from the University of Aberdeen, Scotland and is a Chartered Professional Accountant.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since May 2017; • Meetings attended: <ul style="list-style-type: none"> - Board: 6 of 6 - Audit Committee⁵: 2 of 4 - Corporate Governance: 2 of 3 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>André Gaumond, 56</p> <p>Committees: Compensation</p> <p>Common Shares: 75,600³</p> <p>Options: nil</p> <p>DSUs: 2,705</p> <p>RSUs: nil</p>	<p>Mr. André Gaumond was Senior Vice President, Northern Development and Director of Osisko Gold Royalties (“Osisko”) until he retired from his executive position in November 2016. A geological engineer by training, Mr. Gaumond has been recognized by several organizations for his entrepreneurial and geological achievements. Mr. Gaumond was the founder and Chief Executive Officer of Virginia Gold Mines Inc. which discovered the Éléonore deposit, and was later sold to Goldcorp Inc. He continued his geological work in the James Bay area through Virginia Mines Inc. (“Virginia”) which had retained a royalty on Éléonore and concluded a merger transaction with Osisko in February 2015. He has extensive experience in the strategic development, financing and execution of search programs for new mineral deposits. He has also been recognized for his leadership role in various sustainability initiatives, including the recognition for the creation of Fonds Restor-Action Nunavik. Mr. Gaumond was a nominee to Osisko Board by Virginia as part of the Osisko-Virginia business combination.</p>



	<p>Mr. Gaumond holds a Bachelor of Geological Engineering from Université Laval and a Masters degree in Geological Engineering from École Polytechnique.</p> <p>Board Details:</p> <ul style="list-style-type: none"> • Director since September 15, 2017; • Meetings attended⁵: <ul style="list-style-type: none"> - Board: 3 of 6 - Compensation Committee: 0 of 2 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Fred Mifflin, 58 <i>Vice Chairman, Blair Franklin Capital Partners Inc</i> Ontario, Canada</p> <p>Committees: Audit*, Compensation, Corporate Governance</p> <p>Common Shares: 41,704⁴</p> <p>Options: nil</p> <p>DSUs: 36,736</p> <p>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. Prior to his current position, he worked in increasingly senior roles in the international investment banking world, most recently as Vice Chairman and Global Head of Investment and Corporate Banking for BMO Capital Markets Inc., responsible for that firm's business in Canada, the United States, Europe and Asia. He also previously led BMO Capital Markets' metals and mining business.</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 Committee; • Meetings attended: <ul style="list-style-type: none"> - Board: 6 of 6 - Audit Committee: 4 of 4 - Compensation Committee: 2 of 2 - Corporate Governance Committee: 3 of 3 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Jamie Strauss, 48 <i>Partner, Strauss Partners</i> London, UK</p> <p>Committees: Compensation*, Corporate Governance</p> <p>Common Shares: 26,490</p> <p>Options: nil</p> <p>DSUs: 34,363</p> <p>RSUs: nil</p>	<p>Jamie is currently a partner of mining finance boutique firm, Strauss Partners, based in London, England. Jamie has worked as a stockbroker in the City of London for nearly 30 years, specializing in the corporate resource area, including a term as Managing Director of UK for BMO Capital Markets 2007-2009. He has raised in excess of \$1bn for projects spanning the globe in both the energy and mineral world on behalf of leading institutions in North America, Australia and Europe. He is also the founder and Director of Digbee Ltd, a start-up cloud based Alternative Research Platform that will initially serve the mining industry. He served as a committee member of the Association of Mining Analysts between 2007 and 2011 and is a non-executive director of Gold Standard Ventures and Bacanora Minerals.</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 Committee • Meetings attended: <ul style="list-style-type: none"> - Board: 6 of 6 - Compensation Committee: 2 of 2 - Corporate Governance Committee: 3 of 3 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>



<p>Anna Stylianides, 53 <i>Executive Director of Eco Oro Minerals Corp.,</i> Vancouver, Canada Committees: Corporate Governance*</p> <p>Common Shares: 44,499</p> <p>Options: nil</p> <p>DSUs: 13,959</p> <p>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 began her career in corporate law by joining the firm of Webber Wentzel Attorneys in 1990 after graduating from the University of the Witwatersrand in Johannesburg, South Africa. In 1992 she joined Investec Merchant Bank Limited where she specialized in risk management and gained extensive experience in the areas of corporate finance and structured finance, mergers and acquisitions, structuring, specialized finance and other banking and financial services transactions. 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 Committee • Meetings attended: <ul style="list-style-type: none"> - Board: 6 of 6 - Audit Committee⁵: 1 of 4 - Corporate Governance Committee: 3 of 3 • Independent Board Member • Indebtedness to Corporation: <i>nil</i>
<p>Donald Warr, FCPA, FCA, 72 <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</p> <p>DSUs: 36,736</p> <p>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. He is a graduate of Memorial University of Newfoundland and has provided distinguished service to numerous professional associations and community service groups throughout his career. 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: 6 of 6 - 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

³17,500 Common Shares are held by 9163-9971 Québec Inc. and 1,000 Common Shares are held by Mincor Quebec Inc, both are private Quebec corporations, wholly owned by Andre Gaumond.

⁴ 41,704 Common Shares are held by Trinity Investments Holdings Inc., an Ontario corporation, wholly controlled by Fred Mifflin with a 72% beneficial interest.

⁵ Mr. Gaumond, Mr. Bentinck, and Ms. Stylianides were present for all Board and Committee meetings since joining the Board and/or the rearrangement of respective Committees following the September 15, 2017 AGM. There was no absenteeism.

The information concerning shares beneficially owned, directly or indirectly, is based upon information furnished by the nominees.

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 2,496,698 Common Shares representing approximately 5.78% 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

The following is intended as a brief description of the Corporation's long-term incentive plan (the "**LTIP**") and is qualified in its entirety by the full text of the LTIP, which is attached as Schedule "A" to this Circular.

On July 24, 2015, the Board approved the adoption of the LTIP, which was subsequently approved by Shareholders on September 16, 2015. The LTIP is an incentive-based equity compensation plan that provides for the grant of restricted share units (the "**RSUs**") and deferred share units (the "**DSUs**", together with the RSUs, the "**Units**"). 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. The DSU Participants, together with the RSU Participants, 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 will be 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 will be 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 a relevant date.

The RSUs will vest to the extent of one-third on June 30 in each of the first, second and third calendar years 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 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 will vest on the last day of the Corporation's fiscal year for 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 June 30 in each of the first, second and third calendar years following the calendar year in which the 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 grant date. Vested DSUs will be settled on the first business day which falls 30 days after the DSU Management Information Circular, 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 Restricted Share Units and Deferred Share Units 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 vest. 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% of the issued and outstanding Common Shares from time to time on a non-diluted basis (representing an aggregate of 4,318,729 Common Shares as at December 31, 2017).

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 requirements of 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 have the potential of broadening or increasing participation by insiders of the Corporation.

As at December 31, 2017, 298,345 Units are granted under the LTIP (representing 0.7% of the Corporation’s outstanding Common Shares). A further 3,540,061 Common Shares remain issuable under the LTIP (representing 8.2% of the Corporation’s outstanding Common Shares).

The Company’s annual burn rate, as described in Section 613(d) of the TSX Company Manual, under the LTIP was 0.2% in for the year ended April 30, 2016, 0.2% for the year ended April 30, 2017, and 0.2% for the eight months ended December 31, 2017. Management expects that the burn rate in fiscal 2018 will be approximately 0.2% per annum. 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 2017 burn rate is the quotient of 90,562 Units granted in 2017 divided by 43,239,845 issued and outstanding Common Shares.

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 LTIP, must be re-approved by a majority of shareholders every three years. Such approval was last obtained from shareholders in respect of the LTIP on September 16, 2015.

Accordingly, Shareholders will be asked at the Meeting to consider and if thought appropriate to pass, with or without variation, an ordinary resolution (the “**LTIP Resolution**”), in the form set out below, to approve all unallocated options, rights and other entitlements under the LTIP.

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

- (1) all unallocated entitlements under the LTIP be and are hereby approved;
- (2) the Corporation have the ability to continue granting Units under the LTIP until May 15, 2021, that is until the date that is three (3) years from the date when shareholder approval is being sought; and
- (3) 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 LTIP Resolution. The representatives of management named in the enclosed form of proxy, if named as proxy-holders, intend to vote for the LTIP Resolution, unless the shareholder has specified in the form of proxy that his or her shares are to be voted against the LTIP Resolution.

If Shareholder approval is not obtained for the LTIP Resolution, all unallocated entitlements under the LTIP will be cancelled, and the Corporation will not be permitted to grant further entitlements under the LTIP until such time as Shareholder approval is obtained. However, all allocated awards under the LTIP 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, 2017 and why. The NEOs for the financial year ended December 31, 2017 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 Gaumont. The recommendations of the Compensation Committee are presented to the Board for approval.

For the year ended December 31, 2017, 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 Compensation Committee is responsible for, among other duties:

- 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; 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. The Compensation Committee Mandate can be found on the Corporation’s website <http://www.altiusminerals.com>.

Compensation Committee Meetings held and attendance:

Committee Member	2017 (8 months ended Dec 31)	2017 (ended April 30)
Jamie Strauss	2	2
Fred Mifflin	2	2
André Gaumond	2	N/A

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 2017, the Committee retained Hugessen Consulting Inc. (“**Hugessen**”) two times, to initially provide independent advice on its proxy compensation disclosure July 2017 and again in late 2017 to undertake a review of current Executive base salary and Board compensation.

Compensation Consultants Fees:

	FY2017 (Dec 31)	FY2017 (April 30)
Fees paid	\$16,960	\$5,500

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**”), restructured in 2015, is based on pay-for-performance that aligns 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 Corporation affordability. The package 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.

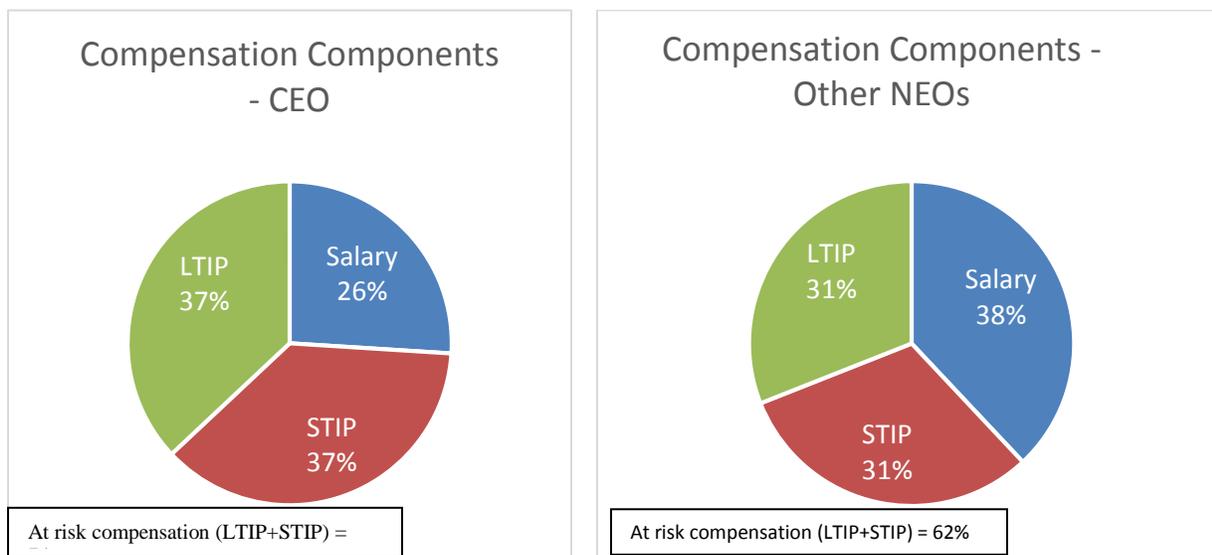


Components of Altius' Executive Compensation Program in Fiscal 2017

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") 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 impact of more senior roles on overall performance of the Corporation. The base salary portion of executive compensation is fixed while the value of the long-term incentives is performance-based and is at risk.

The pay mix of the primary compensation components for the NEOs in the 8 months ended December 31, 2017 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 the leadership it needs Altius seeks to ensure that its executive compensation programs remain competitive with its market. Accordingly, the Compensation Committee periodically undertakes a market review of compensation levels and practices at comparator companies, although it does not attempt to set pay levels at a specific percentile of the pay levels of its comparator group.

3.3.2 Comparator Group

The Comparator group, used by the Committee for the FY 2017 Compensation bonus review, was unchanged from the group approved by the Board in the previous year and is set out below.



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

3.3.3 Compensation Risk Management

- In structuring the Compensation scheme in 2015 the Committee considered the implications of the maximum cost both on a cash and dilution basis under a number of scenarios.
- 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 “Operating income per share” target based on the annual budget, a set of goals tied to business development, a requirement to pass certain criteria in health, safety & environmental and a requirement that each NEO meets individual pre-set goals.
- 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 management into the grading of the scorecard, the Committee reviews and updates (with input from the CEO/Executive Chairman if required) the scoring, which will then be translated into appropriate rewards for both STIP and LTIP, before asking itself key questions such as appropriateness, total cost to the Corporation, dilution, and 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.

For the 8 months ended December 31, 2017, the Committee applied the above structure in establishing compensation. 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 126% as the Company achieved higher than budgeted Operating Income per Share and experienced total shareholder return of 30% over the period and outperformed peers by 32% over the same period on a total shareholder return basis. The Developmental Criteria (weighting of 40%) evaluates specific, measurable goals agreed by management and the Committee at the beginning of the year and executed throughout the year. It also encompasses Sustainability and Health & Safety objectives on a pass/fail basis, which were awarded a “pass”. The Developmental Criteria earned a high score in the eight-month period of 163.1. Individual personal assessments (10%) ranged among the management members evaluated for STIP and LTIP



payment, with the outcome being a weighted average score of 138.7 – 141.7% to the individuals who receive the STIP and LTIP payouts. 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.

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
Financial (50% weighting)	Financial performance is two factors: half of the allocation is determined based on operating income per share ("OIPS"), which is an internal measure of actual operating cash flow per share in comparison to the Board approved annual budget. Performance measurement of OIPS is determined on a graduated scale with 0% payout for 15% below target. The second half of the financial metric is based on the absolute and relative total shareholder return over the period. The Board of Directors added this factor in the current year to factor in real shareholder return into the financial performance metric.
Developmental (40% weighting)	<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, and 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 would have significant implications to the entire annual bonus although the Committee would 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>
Individual (10% weighting)	Individual performance is evaluated by the Compensation Committee following completion of self-assessment forms and discussions with CEO/Executive Director 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.

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.

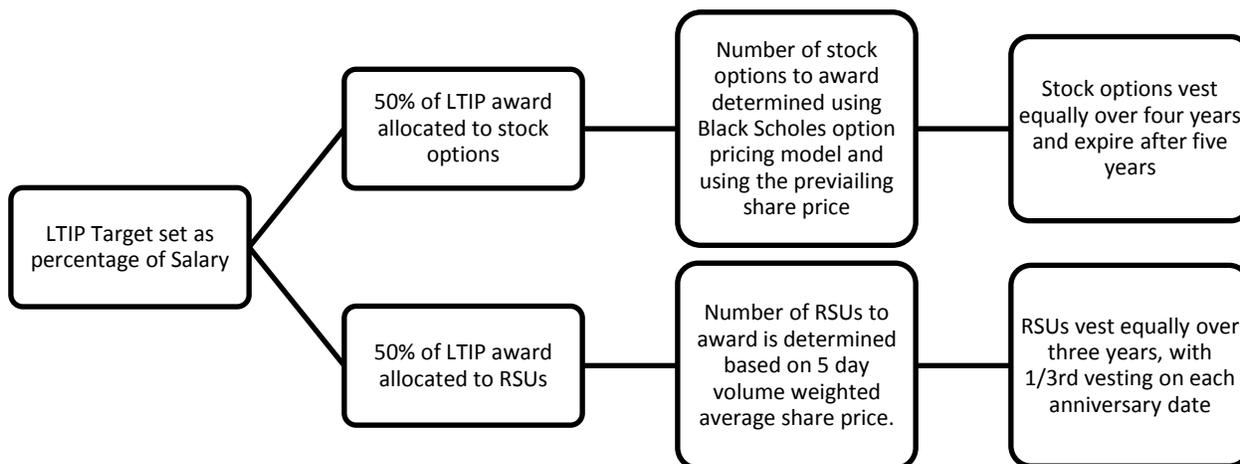
In addition to the above, senior executives, excluding the CEO and Executive Chair, have an option to participate in a share purchase matching program that is intended to increase their respective equity ownership in the Corporation on an individual basis. If they meet their target bonus, up to 50% of 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 8 months ended December 31, 2017, 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.



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 Eight-Months Ended December 31, 2017 Performance & Compensation Decisions

The Committee reviewed the performance of Altius relative to the scorecard for the 8-month period ended December 31, 2017. The overall result was positive, compared to the previous fiscal year ended April 30, 2017, when results were mixed. Operating income per share exceeded the prior year and the budget figures based on commodity price growth and production improvements. In addition, the Project Generation business performed well with several new agreements concluded during the period. No significant impairments were recorded in the period, except for one small good will impairment (\$3.2 million) on the Callinan acquisition.



Altius had a target to reduce net debt by year end to a ratio of 1.1 Net Debt: EBITDA. This target was exceeded as net debt at year end of \$4 million compares with Adjusted EBITDA of \$38.2 million.

The royalty operations performed well above target in the eight months, setting new records both from commodity price improvements but also from expanded production. For example, Yamana’s Chapada mine produced 127 million pounds of copper compared to guidance of 120 million pounds, and Nutrien’s flagship Rocanville mine produced 5 million tonnes of potash, compared to 3.5 million tonnes pre-expansion, with further upside still anticipated. While improving commodity prices benefit the existing royalty portfolio, the corollary to this is that acquiring new royalties, especially production stage ones, becomes more difficult as producers have other financing options available to them. Despite this environment, Altius did acquire a small extension to the Rocanville potash royalties from McChip Resources and accumulated a ~5% position in Labrador Iron Ore Royalty Corporation (LIORC). LIORC has performed well as an investment and more importantly, provides royalty revenue in the form of dividends that in the 8-month period comprised more than 13% of the total royalty revenue of \$46.7 million.

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)	125%
Developmental (40% weighting)	163%
Individual (10% weighting)	80%-140%
Overall Payout Ratio	136%-142%

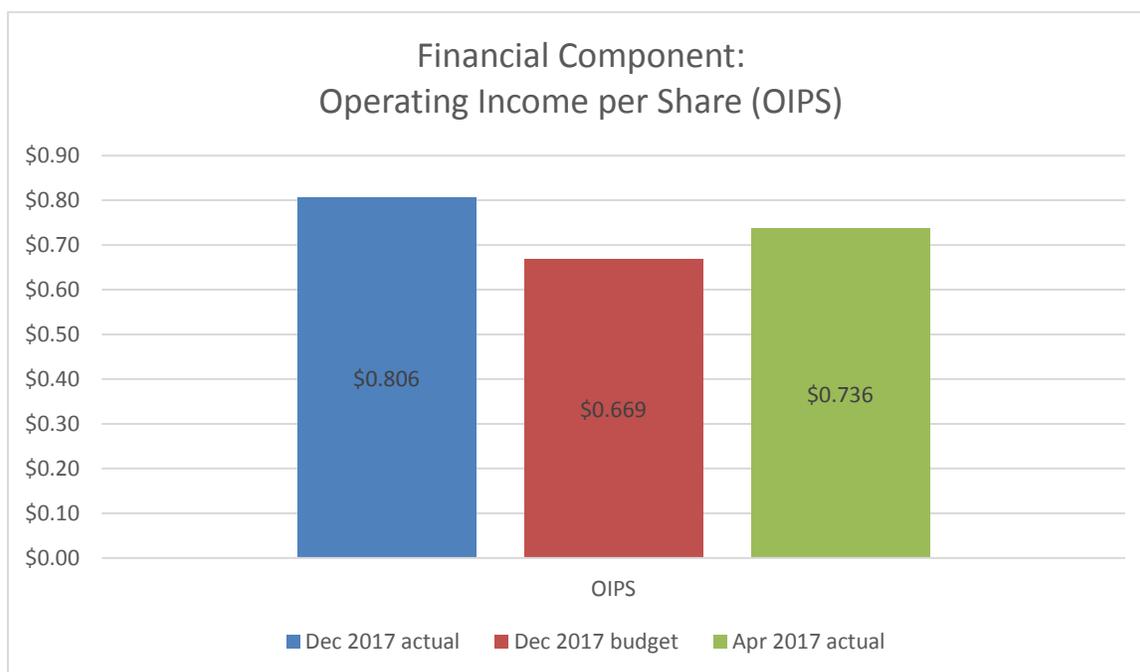
Financial Component:

The Financial element of the scorecard accounts for 50% weighting in the bonus scheme. The operating income per share target for the 8-month period ending December 31, 2017 was \$0.669 per share (FY2017 Actual was \$0.736 per share). The 8-month period actual result was \$0.806 per share, thus resulting in a 20% outperformance.

In addition, the Corporation’s total shareholder return for the period grew by 29% individually and exceeded the peer group by 32%. The peer group consisted of the following publicly traded companies:

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





Developmental Component:

Under the Developmental element (40% of bonus scheme), Management exceeded target on eleven specific goals (of a total of 15) with particular reference to the management of the project generation business, management of the Company’s capital structure, and selective strategic investments. It met target on three goals and underperformed on one. Having taken 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 163

Individual Component:

The Individual Performance, accounting for 10% weighting, was scored following self-assessments carried out by each NEO. The Executive Chairman leads this process on behalf of the Committee and adds comments where necessary in his report. The Executive Chairman’s self-assessment is commented on by the CEO to the Committee. The introduction of self-assessments in FY2016 has been accepted by all concerned and has led to a number of areas of improvement throughout the organization. The Committee concluded that all persons scored at an average of 140, with very minor variations among the group.

Short Term Incentive Plan (STIP) Payout

Executive	Salary \$	Actual STIP \$	Target STIP \$
Brian Dalton	233,333	330,633	233,333
John Baker	233,333	198,380	140,000
Ben Lewis	150,000	127,530	90,000
Chad Wells	116,667	99,190	70,000
Lawrence Winter	116,667	97,090	70,000

**All figures are shown for the 8-month fiscal period*



Long Term Incentive Plan (LTIP) Payout

Executive	Salary C\$	Actual LTIP \$	Target LTIP \$
Brian Dalton	233,333	330,633	233,333
John Baker	233,333	198,380	140,000
Ben Lewis	150,000	127,530	90,000
Chad Wells	116,667	99,190	70,000
Lawrence Winter	116,667	97,090	70,000

* All LTIP figures are for the 8-month fiscal period ended December 31, 2017.

Share Matching Program

The Committee notes the share matching program introduced in 2015 has been taken up in full by all eligible members through to the current period ended December 31, 2017. 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 will consider extending this scheme when it expires in mid-2018. The take up for the period ended December 31, 2017 was again fully utilized.

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 37% of the CEO's 8 Month 2017 payout. The structure also serves as an incentive to long term share price appreciation.

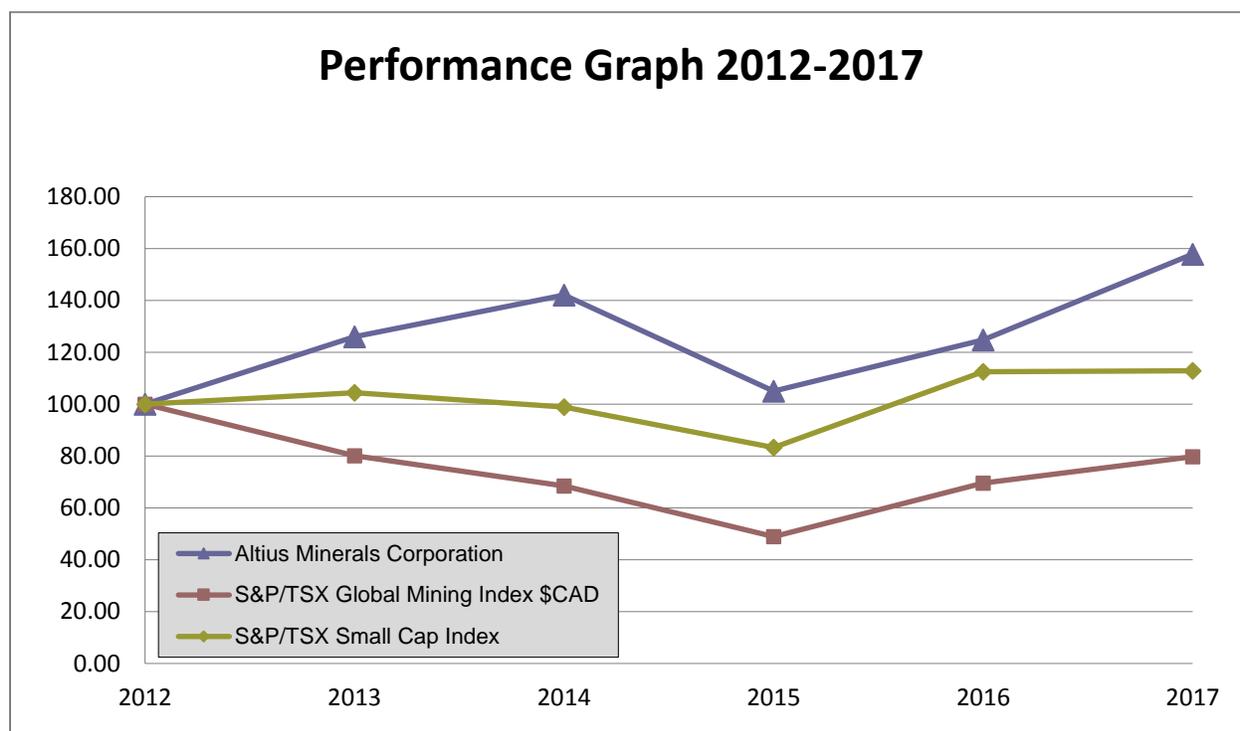
Conclusion

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, 2012, assuming an initial investment of \$100 on December 31, 2017 compared to the S&P/TSX Global Mining Index and Small Cap Index, for the comparable period.

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. Since early 2016 most mined commodities have begun cyclical price recoveries. 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.

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, President & CEO/Director ²	2017 (8)	233,333	165,317	165,317	330,633	-	-	-	894,599
	2017	350,000	218,750	218,750	437,500	-	-	-	1,225,000
	2016	350,000	133,000	133,000	266,000	-	-	-	882,000
John Baker, Executive Chairman ²	2017 (8)	233,333	99,190	99,190	198,380	-	-	-	630,093
	2017	350,000	131,250	131,250	262,500	-	-	-	875,000
	2016	350,000	79,800	79,800	159,600	-	-	-	669,200
Ben Lewis, Chief Financial Officer	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
	2016	225,000	51,300	51,300	102,600	-	-	25,725	455,925
Chad Wells, V.P. Business Development	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
	2016	175,000	39,900	39,900	79,800	-	-	21,187	355,787
Lawrence Winter, V.P. Exploration	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
	2016	175,000	39,900	39,900	79,800	-	-	20,113	355,613

Notes

¹The Company changed its fiscal year end to December 31, 2017 during the current year. As a result, the 2017-12 period runs from May 1, 2017 to December 31, 2017. All previous periods are for the year ended April 30, 2017 and April 30, 2016 respectively.

²The 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.

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

⁴All 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, 2017, 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 (\$)
Brian Dalton, <i>President & Chief Executive Officer</i>	65,897	10.65	3/7/2022	283,357	35,022	523,579	2,706
	38,707	10.62	6/7/2021	167,601	-	-	-
	59,957	14.25	24/07/2020	41,970	-	-	-
John Baker, <i>Executive Chairman</i>	39,538	10.65	3/7/2022	170,013	20,416	305,219	286,741
	23,224	10.62	6/7/2021	100,560	-	-	-
	29,979	14.25	24/07/2020	20,985	-	-	-
Ben Lewis, <i>Chief Financial Officer</i>	25,417	10.65	3/7/2022	109,293	20,356	304,322	53,192
	14,930	10.62	6/7/2021	64,647	-	-	-
	23,121	14.25	24/07/2020	16,185	-	-	-
Chad Wells, <i>V.P. Business Development</i>	19,769	10.65	3/7/2022	85,007	16,002	239,230	41,352
	11,612	10.62	6/7/2021	50,280	-	-	-
	17,985	14.25	24/07/2020	12,590	-	-	-
Lawrence Winter, <i>V.P. Exploration</i>	19,769	10.65	3/7/2022	85,007	16,085	240,471	42,383
	11,612	10.62	6/7/2021	50,280	-	-	-
	17,985	14.25	24/07/2020	12,590	-	-	-

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	-	66,332	-
John Baker	-	33,796	-
Ben Lewis	-	39,960	-
Chad Wells	-	30,888	-
Lawrence Winter	-	31,267	-

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.

4.3 Other Key Terms of Incentive Plans

Stock Option Plan

The following is intended as a brief description of the Corporation’s stock option plan (the “**Stock Option Plan**”) and is qualified in its entirety by the full text of the Stock Option Plan, which is 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% (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% 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% 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, including a term not to exceed ten years, 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, 2017, the end of the Corporation's most recent financial year, the aggregate number of Common Shares which were reserved for issuance under the Stock Option Plan was 4,318,729 (representing 10% of the Corporation's outstanding Common Shares at December 31, 2017). As at December 31, 2017, 480,323 options are granted under the Stock Option Plan (representing 1.1% of the Corporation's outstanding Common Shares). A further 3,540,061 Common Shares remain issuable under the Stock Option Plan (representing 8.2% of the Corporation's outstanding Common Shares).

The Company's annual burn rate, as described in Section 613(d) of the TSX Company Manual, under the Stock Option Plan was 0.4% in for the year ended April 30, 2016, 0.3% for the year ended April 30, 2017, and 0.5% for the eight months ended December 31, 2017. Management expects that the burn rate in fiscal 2018 will be approximately 0.5% 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 2017 burn rate is the quotient of 205,390 stock options granted in 2017 divided by 43,239,845 issued and outstanding Common Shares.

Long Term Incentive Plan

For a summary of the LTIP, please see “Business of the Meeting – Summary of the LTIP”.

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 and made changes to director compensation in fiscal 2011. No changes in directors’ compensation have been made since that time although a comprehensive review recently commenced in 2018 which will revise and update such compensation relative to industry peer accordingly in fiscal 2018.

In the eight months ended December 31, 2017, non-executive Board members received compensation by way of payment per annum, with Committee chairs receiving an additional payment per annum as described below. The directors were reimbursed for expenses incurred in carrying out their duties as directors, including attending meetings.

For the eight months in 2017, the compensation for directors was \$16,667 per director (\$25,000 per annum) plus \$50,000 in DSUs, and \$1,500 per director per meeting for attending board meetings (\$750 each for teleconference board meetings). The Lead Director receives an additional retainer of \$7,500 per year, and the chairman of each of the Audit, Compensation and Corporate Governance Committees receives additional remuneration of \$15,000, \$7,500, and \$7,500, respectively, per annum.

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 8 months of 2017 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 8 months of 2017.

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	47,417	45,943	-	-	-	-	93,360
Susan Sherk	16,688	18,731	-	-	-	-	35,419
Donald Warr	28,667	45,943	-	-	-	-	74,610
Jamie Strauss	32,167	45,943	-	-	-	-	78,110
Anna Stylianides	29,355	45,943	-	-	-	-	75,298
Andre Gaumond	11,042	28,713	-	-	-	-	39,755
Guy Bentinck	27,167	45,943	-	-	-	-	73,110



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, 2017, 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	-	-	-	-	-	-	546,124
Susan Sherk	-	-	-	-	-	-	505,908
Donald Warr	-	-	-	-	-	-	546,124
Jamie Strauss	-	-	-	-	-	-	510,842
Anna Stylianides	-	-	-	-	-	-	207,521
André Gaumond	-	-	-	-	-	-	40,201
Guy Bentinck	-	-	-	-	-	-	64,330

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	-	37,298	-
Susan Sherk	-	20,989	-
Donald Warr	-	37,298	-
Jamie Strauss	-	37,157	-
Anna Stylianides	-	35,945	-
Andre Gaumond	-	22,107	-
Guy Bentinck	-	35,372	-

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

The Corporation has 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 cannot exceed 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis. The following table sets forth information with respect to the options and rights outstanding under the equity compensation plans as at December 31, 2017.

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	778,667	11.85	3,540,062
Equity Compensation Plans Not Approved by Security Holders	-	-	-
TOTAL	778,677	11.85	3,540,062⁽¹⁾

Note

(1) Includes Common Shares issuable under the LTIP.

6.1 Option Re-pricings

The Corporation did not re-price any options during the eight months ended December 31, 2017.

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>	700,000	661,266	492,928	523,579	2,377,773
John Baker <i>Executive Chairman</i>	700,000	396,760	291,559	305,219	1,693,538
Ben Lewis <i>Chief Financial Officer</i>	450,000	255,060	190,125	304,322	1,199,507
Chad Wells <i>V.P. Corporate Development</i>	350,000	198,380	147,876	239,930	935,486
Lawrence Winter <i>V.P. Exploration</i>	350,000	194,180	147,876	240,471	932,527

Notes:

1. 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.
2. 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 eight directors, two of whom (John Baker and Brian Dalton) have been directors since the Corporation was founded in 1997. Donald Warr was appointed in November 2005, Fred Mifflin in November 2006, Jamie Strauss in October 2010, while Anna Stylianides was appointed in May 2015 following the completion of the plan of arrangement with Callinan Royalties Corporation. Guy Bentinck was recently appointed in May 2017 following the closing of the Fairfax transaction, and André Gaumond was appointed in September 2017 following his nomination process and formal appointment at the Annual and Special Meeting held in September 2017. 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. Directors Guy Bentinck, 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 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, 2017, 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>. These position descriptions are reviewed by the Corporate Governance Committee on a bi-annual basis.



7.3.1 Corporate Governance Committee

Responsibility for monitoring and assessing the effectiveness of the Board, its committees and directors rests with the Corporate Governance 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;

For the eight months ended April 30, 2017, the Corporate Governance Committee was initially comprised of Susan Sherk (Chair), Jamie Strauss and Anna Stylianides, with Fred Mifflin as lead director serving as an ex-officio member. In September 2017, following the company's AGM, Ms. Sherk retired from the Board and was replaced as Chair of the Corporate Governance Committee by Ms. Stylianides, with Guy Bentinck joining as the third Corporate Governance Committee 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 eight months of 2017, the Audit Committee was initially comprised of Fred Mifflin (Chair), Anna Stylianides and Don Warr, and after the AGM was comprised of Fred Mifflin (Chair), Guy Bentinck and Don Warr. 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 14, 2018, 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 eight months ended December 31, 2017, the Compensation Committee was initially comprised of Jamie Strauss (Chair), Fred Mifflin and Susan Sherk, and following the September 15, 2017 AGM became 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 Governance Committee each meets at least twice 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 each of 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 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 Committee.

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>. 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. 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 annually by the Corporate Governance 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. Altius uses an independent consultant to provide an anonymous reporting system for employees wishing to make a complaint. Complaints may be made online or by phone. Details of the anonymous reporting system are outlined in the Altius Employees Handbook which is distributed to all employees.

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 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 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 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 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. Two new directors were nominated and elected by shareholders at the September 2017 Annual & Special Meeting of Shareholders. Guy Bentinck was first appointed in May 2017, following the closing of the Fairfax Financial transaction and then elected by shareholders at the September 15, 2017 Annual & Special Meeting. Mr. Bentinck is the CFO of Fairfax Africa Holdings Limited, and he is highly qualified to advise on forms of financing, capital allocation decisions, proposed acquisitions or divestitures and other Board oversight matters. André Gaumond was nominated and elected by shareholders at the September 15, 2017 Annual & Special Meeting and brings a long and successful track record as a geological engineer who founded and led Virginia Gold Mines as President and CEO, which discovered the Eléonore deposit and was later sold to Goldcorp Inc. Mr. Gaumond's successor company, Virginia Mines later merged with Osisko Gold Royalties in February 2015. He brings to the Altius Board a proven ability to evaluate and guide the overall execution of the project generation business and strategy while also has deep knowledge and insight into the royalty business that came from the retained royalty on Eléonore and from the transaction with Osisko, where he currently sits on the Board.

The Corporate Governance 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 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 or the appropriate committee.



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>.

7.10 Director Term Limits and Other Mechanisms of Board Renewal

The Board has not adopted term limits for directors because of the small size of the Board (over the last ten years, the independent Board members have been limited to no more than five individuals and the management Board members have been limited to no more than three individuals). The Board has been focused on working closely as a team to develop the skills necessary for a growing company. The need for a retirement policy has not yet arisen and directors who have left the Corporation have done so for personal reasons. The Corporate Governance Committee reviews the need for director term limits annually and will institute one should the need arise.

Board renewal is addressed in three ways. The full Board constantly looks for new board members who can add value to the Board, bring new or a greater depth of particular skillsets necessary to successfully oversee a growing company and who can successfully operate within a team environment. The Corporate Governance Committee meets at least once annually to discuss the need for new board members and/or an increased number of directors. It then identifies gaps in board skill levels as well as potential candidates that could provide or augment those skills.

7.11 Policies Regarding the Representation of Women on the Board

In 2017, the Corporation adopted formal Board Diversity and Management Diversity Policies, which include provisions regarding identification and nomination of women on the Board. For purposes of Board composition, diversity includes, but is not limited to, business experience, geography, age, gender, and ethnicity and aboriginal status.

The Corporate Governance 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 and Mr. Gaumond's appointment and election, there is now one woman (16.7%) of the six independent members.

7.12 Consideration of the Representation of Women in the Director Identification and Selection Process

The Corporate Governance Committee, as part of its mandate, has always taken gender into consideration as part of its overall recruitment and selection process in respect of the Board. With the new Board Diversity Policy described above, the Corporate Governance Committee now has the mandate to pursue and ultimately maintain Board composition of at least 20% women among the independent directors. This will be achieved by regularly monitoring the level of female representation on the Board and, where appropriate, recruiting qualified female candidates as part of the Corporation's overall recruitment and selection process to fill Board positions, as the need arises, through filling vacancies, growth or otherwise.

7.13 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, 2017, the Corporation had sixteen 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.

7.14 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 aims to ensure that in the future at least 20% of the independent directors are women by the time of the 2019 AGM and thereafter. 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.

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 \$72,450 in respect of its directors and officers as a group for the 12 months ending December 14, 2017. 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, 2017. 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 April 3, 2018



Brian Dalton, Chief Executive Officer



SCHEDULE “A” – LONG TERM INCENTIVE PLAN

The purpose of this Plan is to advance the interests of the Company by: (i) providing Eligible Persons with additional incentives; (ii) rewarding performance by Participants; (iii) increasing the proprietary interest of Participants in the success of the Company; (iv) encouraging Participants to remain with the Company or its Affiliates; and (v) attracting new directors, officers, employees and Consultants to the Company or its Affiliates.

ARTICLE 1 INTERPRETATION; ADMINISTRATION

Section 1.1 Definitions

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) **“Acquired Shares”** has the meaning ascribed to that term in Section 6.2;
- (b) **“Affiliate”** has the meaning ascribed to that term under National Instrument 45-106 – Prospectus Exemptions, as amended from time to time;
- (c) **“Applicable Withholding Taxes”** has the meaning ascribed to that term in Section 3.4;
- (d) **“Associate”** has the meaning ascribed to that term under National Instrument 45-106 – Prospectus Exemptions, as amended from time to time;
- (e) **“Board”** means the board of directors of the Company or, as applicable, such committee of the board of directors to which the board of directors may choose to delegate authority to administer this Plan;
- (f) **“Business Day”** means any day other than a Saturday, Sunday or statutory or civic holiday in Toronto, Ontario or St. John’s, Newfoundland and Labrador;
- (g) **“Cash Equivalent”** means the Market Value multiplied by the number of vested Units in the Participant’s notional account, net of any Applicable Withholding Taxes, on the RSU Settlement Date or DSU Termination Date, as applicable;
- (h) **“Change of Control Event”** means:
 - (i) a reorganization, amalgamation, merger or other business combination (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and any one or more of its Affiliates, with respect to which all or substantially all of the persons who were the beneficial owners of the Shares and other securities of the Company immediately prior to such reorganization, amalgamation, merger, business combination or plan of arrangement do not, following the completion of such reorganization, amalgamation, merger, business combination or plan of arrangement, beneficially own, directly or indirectly, more than fifty percent (50%) of the resulting voting shares (on a fully-diluted basis) of the Company or its successor;
 - (ii) the sale to a person other than an Affiliate of the Company of all or substantially all of the Company’s assets; or



- (iii) a change in the composition of the Board, which occurs at a single meeting of the shareholders of the Company or upon the execution of a shareholders' resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change;
- (i) **“Company”** means Altius Minerals Corporation or any successor thereof;
- (j) **“Consultant”** means a person or company, other than an employee, officer or director of the Company or any of its Affiliates, that: (i) is engaged to provide services to the Company or an Affiliate of the Company, other than services provided in relation to a distribution, (ii) provides the services under a written contract with the Company or an Affiliate of the Company, and (iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or an Affiliate of the Company;
- (k) **“Date of Grant”** means the date on which a particular Unit is granted by the Board as evidenced by the Grant Agreement pursuant to which the applicable Unit was granted;
- (l) **“Deferred Share Unit”** or **“DSU”** means a unit designated as a Deferred Share Unit representing the right to receive one Share or the Cash Equivalent in accordance with the terms set forth in this Plan;
- (m) **“Disability”** means the inability of a Participant to perform the duties associated with his or her position for 270 consecutive days as a result of his or her incapacity due to physical or mental illness;
- (n) **“DSU Participant”** means a director of the Company (who for greater certainty may also be an employee, if applicable), or a Non-Director DSU Participant, who has been designated by the Company for participation in this Plan and who has agreed to participate in this Plan and to whom Deferred Share Units have been or will be granted hereunder;
- (o) **“DSU Settlement Date”** means, with respect to a Deferred Share Unit granted to a DSU Participant, the first Business Day that falls 30 days after a DSU Participant's DSU Termination Date;
- (p) **“DSU Termination Date”** of a DSU Participant means the day that the DSU Participant ceases to be a director and/or, if applicable, an employee of the Company for any reason including, without limiting the generality of the foregoing, as a result of retirement, death, voluntary or involuntary termination, Disability or resignation;
- (q) **“Effective Date”** has the meaning ascribed to that term in Section 2.1(1);
- (r) **“Eligible Person”** means any director, officer, employee or Consultant of the Company or any of its Affiliates and any such person's personal holding company, as designated by the Board in a resolution;
- (s) **“Expire”** means, with respect to a Unit, the termination of such Unit, on the occurrence of which such Unit is void, incapable of settlement, and of no value whatsoever; and **“Expires”** and **“Expired”** have similar meanings;



- (t) **“Fiscal Year”** means the fiscal year of the Company, which as of the Effective Date is the annual period commencing May 1 and ending the following April 30;
- (u) **“Grant Agreement”** means an agreement between the Company and a Participant under which a Unit is granted, substantially in the form attached hereto as Schedule “A” in reference to RSUs, and Schedule “B” in reference to DSUs, as each may be amended from time to time;
- (v) **“Insider”** has the meaning ascribed to that term under the Securities Act (Ontario), as amended from time to time, and shall include Associates and Affiliates of the Insider, and shall include only those insiders who are “reporting insiders” as defined in National Instrument 55-104 – Insider Reporting Requirements and Exemptions;
- (w) **“ITA”** means the Income Tax Act (Canada), and the regulations thereunder;
- (x) **“Market Value”** at any date in respect of the Shares, means the volume weighted average trading price of all Shares traded on the TSX for the five (5) trading days immediately preceding such date (or, if the Shares are not listed and posted for trading on the TSX, such other stock exchange on which the Shares are listed and posted for trading as may be selected for such purpose by the Board). In the event that the Shares are not listed and posted for trading on any stock exchange, the Market Value shall be the fair market value of the Shares as determined by the Board in its sole and absolute discretion;
- (y) **“Non-Director DSU Participant”** means a DSU Participant that is an officer or employee, and not a director, of the Company;
- (z) **“Participant”** means a RSU Participant or a DSU Participant, as applicable;
- (aa) **“Plan”** means this Long Term Incentive Plan, as amended from time to time;
- (bb) **“Restricted Share Unit”** or **“RSU”** means a unit granted or credited to a RSU Participant’s notional account pursuant to the terms of this Plan that, subject to the provisions hereof, entitles a RSU Participant to receive one Share or the Cash Equivalent in accordance with the terms set forth in this Plan;
- (cc) **“RSU Participant”** means an Eligible Person who has been designated by the Company for participation in this Plan and who has agreed to participate in this Plan and to whom a Restricted Share Unit has been or will be granted hereunder;
- (dd) **“RSU Termination Date”** means the date on which a RSU Participant ceases to be an Eligible Person as a result of a termination of employment with the Company or an Affiliate thereof for any reason, including without limiting the generality of the foregoing, death, retirement, Disability or resignation. For the purposes of this Plan, a RSU Participant’s employment with the Company or an Affiliate thereof shall be considered to have terminated effective on the last day of the RSU Participant’s actual and active employment with the Company or Affiliate thereof, whether such day is selected by agreement with the individual, or unilaterally by the RSU Participant or the Company or Affiliate thereof, and whether with or without advance notice to the RSU Participant. For the avoidance of doubt, no period of notice or pay in lieu of notice that is given or that ought to have been given under applicable law in respect of such termination of employment that follows or is in respect of a period after the RSU Participant’s last day of actual and active employment shall be considered as extending



the RSU Participant's period of employment for the purposes of determining his or her entitlement under this Plan;

- (ee) **“RSU Vesting Date”** means, in respect of any RSU, the date or dates determined in accordance with the terms of the Grant Agreement entered into in respect of such RSU (as described in Section 4.4), on or after which a particular RSU may be settled, subject to amendment or acceleration from time to time in accordance with the terms hereof;
- (ff) **“RSU Settlement Date”** means the RSU Vesting Date in respect of any particular RSUs that have vested in a calendar year, provided that if such date is not a Business Day, the RSU Settlement Date shall be the first Business Day following the RSU Vesting Date, and further 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;
- (gg) **“Share”** means a common share in the capital of the Company, and includes any shares of the Company into which such common shares may be converted, reclassified, redesignated, subdivided, consolidated, exchanged or otherwise changed;
- (hh) **“Shareholders”** means holders of Shares;
- (ii) **“Stock Option Plan”** has the meaning ascribed to that term in Section 3.11(1)(a);
- (jj) **“Substitution Event”** means (i) a Change of Control Event, or (ii) a merger, amalgamation, arrangement, business combination or other transaction pursuant to which the Shares are converted into, or exchanged for, other property, whether in the form of securities of another entity, cash or otherwise;
- (kk) **“TSX”** means the Toronto Stock Exchange; and
- (ll) **“Units”** means DSUs and RSUs, as applicable.

ARTICLE 2 CONSTRUCTION AND INTERPRETATION

Section 2.1 Effective Date.

- (1) This Plan was made effective by the Board as of July 24, 2015 (the “Effective Date”), subject to the acceptance and approval of this Plan by the TSX and the Shareholders. Any Units granted to Participants prior to this Plan being accepted and approved by Shareholders shall be subject to such acceptance and approval being given and no such Units may be settled unless and until such acceptance and approval are given.
- (2) Should any changes to this Plan be required by any securities regulatory authority or other governmental body of any jurisdiction of Canada to which this Plan has been submitted or by any stock exchange on which the Shares may from time to time be listed, such changes will be made to this Plan as are necessary to conform with such requirement and, if such changes are approved by the Board, this Plan, as amended, will remain in full force and effect in its amended form as of and from the date of such approval.

Section 2.2 Currency.

All references in this Plan to currency refer to lawful currency of Canada.



Section 2.3 Applicable Laws.

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 2.4 Validity.

If any provision of this Plan or part hereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

Section 2.5 References.

In this Plan, references to the masculine include the feminine; references to the singular shall include the plural and vice versa, all as the context shall require.

Section 2.6 Headings.

Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

ARTICLE 3 GENERAL PROVISIONS

Section 3.1 Administration.

- (1) The Board shall administer this Plan; however, notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board and/or to any member thereof. For greater certainty, any such delegation by the Board may be revoked at any time at the Board's sole discretion. In the event of any such delegation by the Board, references made to the Board herein, shall, as applicable, include a committee of the Board and/or any member thereof. Nothing contained herein shall prevent the Board from adopting other or additional Share compensation arrangements or other compensation arrangements.
- (2) Subject to the terms and conditions set forth herein, the Board has the authority: (i) to grant Restricted Share Units to RSU Participants; (ii) to grant Deferred Share Units to DSU Participants; (iii) to determine the terms, including the limitations, restrictions, vesting period and conditions, if any, of such grants; (iv) to interpret this Plan and all agreements entered into hereunder; (v) to adopt, amend and rescind such administrative guidelines and other rules relating to this Plan as it may from time to time deem advisable; and (vi) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable. The Board's guidelines, rules, interpretations, and determinations shall be conclusive and binding upon the Company, its Affiliates, and all Participants and their heirs, executors, legal personal representatives and beneficiaries.
- (3) No member of the Board or any person acting pursuant to authority delegated by it hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith, and each member of the Board and each such person shall be entitled to indemnification by the Company with respect to any such action or determination.
- (4) The Board may adopt such rules or regulations and vary the terms of this Plan and any grant hereunder as it considers necessary to address tax or other requirements of any applicable Canadian or non-Canadian jurisdiction.



- (5) This Plan shall not in any way fetter, limit, obligate, restrict or constrain the Board with regard to the allotment or issue of any Shares or any other securities in the capital of the Company other than as specifically provided for in this Plan.
- (6) Shares issued or delivered to RSU Participants pursuant to the settlement of Restricted Share Units or to DSU Participants pursuant to the settlement of Deferred Share Units shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of the TSX or other stock exchange on which any class of Shares are listed or quoted for trading, and any certificates representing such Shares shall bear, as required, the relevant legend(s) in respect thereof.

Section 3.2 Rules and Regulations.

The Board is authorized, subject to the provisions of this Plan, to establish such rules and regulations as it deems necessary for the proper administration of this Plan, and to make determinations and take such other actions in connection with or in relation to this Plan as it deems necessary or advisable. Each determination or action made or taken pursuant to this Plan, including interpretation of this Plan, shall be final and conclusive for all purposes and binding on all parties, absent manifest error.

Section 3.3 Amendment and Termination.

- (1) The Board may, in its sole discretion, suspend or terminate this Plan at any time, or from time to time amend, revise or discontinue the terms and conditions of this Plan or of any Unit granted under this Plan and any Grant Agreement relating thereto, subject to any required regulatory approval, provided that such suspension, termination, amendment, revision or discontinuance will:
 - (a) not adversely alter or impair any Unit previously granted except as permitted by the terms of this Plan;
 - (b) be in compliance with applicable law and subject to any regulatory approvals including, where required, the approval of the TSX; and
 - (c) be subject to Shareholder approval, where required by law, the requirements of the TSX or this Plan.
- (2) If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force with respect to outstanding Units will continue in effect as long as any such Unit or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board will remain able to make such interpretations and amendments to this Plan or the Units as they would have been entitled to make if this Plan were still in effect.
- (3) The Board shall have the power and authority to approve amendments relating to this Plan or to Units, without further approval of the Shareholders or Participants, to the extent such amendment, without limiting the generality of the foregoing:
 - (a) is for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - (b) is necessary to comply with applicable law or the requirements of the TSX;



- (c) is an amendment to this Plan respecting administration and eligibility for participation under this Plan;
 - (d) alters, extends or accelerates the terms of vesting applicable to any Units;
 - (e) changes the termination provisions of a Unit or this Plan which does not entail an extension beyond the original expiry date of a Unit; or
 - (f) is an amendment to this Plan of a “housekeeping nature”.
- (4) For greater certainty, Shareholder approval under applicable law (including, without limitation, the rules, regulations and policies of the TSX) shall be required to approve amendments relating to this Plan or to Units, provided that in the case of any alteration, amendment or variance referred to in Section 3.3, the alteration, amendment or variance:
- (i) amends the number of Shares issuable under this Plan;
 - (ii) adds any form of financial assistance by the Company for the exercise of a Unit;
 - (iii) results in a material or unreasonable dilution in the number of outstanding Shares or any material benefit to a Participant;
 - (iv) extends the time for which a Unit Expires beyond its original expiry date;
 - (v) amends Section 3.3, Section 3.11(1)(c), or Section 9.1; or
 - (vi) changes the class of Eligible Persons under this Plan, which would have the potential of broadening or increasing participation by Insiders of the Company.
- (5) Any Units granted subject to the acceptance and approval of amendments by the TSX shall be subject to such acceptance and approval being given and no such Units may be exercised unless and until such acceptance and approval are given.
- (6) No such amendment to this Plan shall cause this Plan in respect of Restricted Share Units to cease to be a plan described in paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the ITA or any successor to such provision.
- (7) No such amendment to this Plan shall cause this Plan in respect of Deferred Share Units to cease to be a plan described in regulation 6801(d) to the ITA or any successor to such provision.

Section 3.4 Applicable Tax Withholdings and Deductions.

- (1) Notwithstanding any other provision contained herein, and together with Section 5.4 and Section 6.9, the Company or the relevant Affiliate, as applicable, shall be entitled to withhold from any amount payable to a Participant, either under this Plan or otherwise, such amounts as may be necessary so as to ensure that the Company or the relevant Affiliate is in compliance with the applicable provisions of the ITA or any other federal, provincial, state or local law relating to the withholding of tax or other required deductions relating to the settlement of such Units (the “Applicable Withholding Taxes”).
- (2) It is the responsibility of the Participant to complete and file any tax returns which may be required within the periods specified in applicable laws as a result of the Participant’s participation in this Plan. The Company shall not be held responsible for any tax consequences to a Participant as a result of the Participant’s participation in this Plan and the Participant shall



indemnify and save harmless the Company from and against any and all loss, liability, damage, penalty or expense (including legal expense), which may be asserted against the Company or which the Company may suffer or incur arising out of, resulting from, or relating in any manner whatsoever to any tax liability in connection therewith.

Section 3.5 No Interest.

No interest or other amounts shall accrue to the Participant in respect of any amount payable by the Company to the Participant under this Plan or any Unit.

Section 3.6 Costs.

The Company will be responsible for all costs relating to the administration of this Plan.

Section 3.7 Participation in this Plan.

- (1) Nothing contained in this Plan or in any Unit granted hereunder shall be deemed to give any Participant any interest or title in or to any Shares or any rights as a Shareholder or any other legal or equitable right against the Company, or any of its Affiliates whatsoever, including without limitation, the right to vote as a Shareholder and/or the right to participate in any new issue of Shares to existing holders of Shares, other than those rights relating to Shares that have been issued by the Company upon the settlement of a Unit pursuant to the terms of this Plan.
- (2) Units shall be credited to an unfunded notional bookkeeping account established and maintained by the Company in the name of each Participant. Notwithstanding any other provision of this Plan to the contrary, a Unit shall not be considered or construed as an actual investment in Shares. Participants shall have no legal or equitable rights, claims, or interest in any specific property or assets of the Company or any Affiliate thereof. No assets of the Company or any Affiliate thereof shall be held in any way as collateral security for the fulfillment of the obligations of the Company or any Affiliate thereof under this Plan. Any and all of the assets of the Company or any Affiliate thereof shall be, and remain, the general unrestricted assets of the Company or the Affiliate.
- (3) The obligations of the Company or any of its Affiliates under this Plan shall be merely that of an unfunded and unsecured promise of the Company or such Affiliate to pay money in the future, and the rights of Participants shall be no greater than those of unsecured general creditors.
- (4) The Company makes no representation or warranty as to the future Market Value of the Shares or with respect to any income tax matters affecting the Participant resulting from the grant or settlement of a Unit or transactions in Shares. With respect to any fluctuations in the Market Value of Shares, none of the Company or any of its directors, officers, employees, Shareholders or agents shall be liable for anything done or omitted to be done by such person or any other person with respect to the price, time, quantity or other conditions and circumstances of the issuance of Shares hereunder, or in any other manner related to this Plan. For greater certainty, no amount will be paid to, or in respect of, a Participant under this Plan or pursuant to any other arrangement, and no additional Units will be granted to such Participant, to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

Section 3.8 Right to Issue Other Shares.

The Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Shares or other securities including securities convertible into or exercisable or exchangeable for Shares, repurchasing Shares, or varying or amending its share capital or corporate structure.



Section 3.9 Dividend Equivalents.

In the event a dividend becomes payable on the 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 of which 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 Share, by (ii) the Market Value of a 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.

Section 3.10 Regulatory Approval.

The grant of Units and the issuance of Shares pursuant to this Plan are subject to compliance with all applicable laws, rules and regulations of all governmental and regulatory authorities and to the requirements of the TSX. The Participant agrees: (i) to comply with all such laws, rules, regulations and requirements; (ii) to furnish to the Company any information, reports and/or undertakings required to comply with all such laws, rules, regulations and requirements; (iii) to fully cooperate with the Company in complying with such laws, rules regulations and requirements; and (iv) to fully cooperate with the Company in complying with the provisions of the ITA and/or other tax laws, as applicable.

Section 3.11 Grant of Units, Shares Reserved and Participation Limits.

- (1) Subject to the provisions of this Plan, the Board may grant Units to Participants upon the terms, conditions and limitations set forth herein, in any Grant Agreement, and such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine, provided that:
 - (a) The maximum number of Shares which may be reserved for issuance under this Plan in respect of grants of Restricted Share Units to RSU Participants and grants of Deferred Share Units to DSU Participants and pursuant to any other security based compensation arrangement of the Company (including under the Company's stock option plan, adopted as of November 30, 2011, as it may be further amended (the "Stock Option Plan")) shall not exceed 10% of the issued and outstanding Shares from time to time on a non-diluted basis;
 - (b) The number of Shares subject to any grants of Units (or portions thereof) that: (i) have vested and been settled; or (ii) have Expired or been forfeited, surrendered, cancelled or otherwise terminated prior to the delivery of the Shares pursuant to a grant of Units shall, in each case, automatically become available to be made and subject to new grants under this Plan. In addition, the number of Shares subject to grants of Units (or portions thereof) that the Company settles in cash in lieu of settlement in Shares shall automatically become available to be made the subject of new grants under this Plan; and
 - (c) Unless the Company has received requisite Shareholder approval, under no circumstances shall this Plan, together with all of the Company's previously established or proposed compensation or incentive plans or mechanisms involving the issuance or potential issuance of Shares, including the Stock Option Plan, result, at any time, in:
 - (i) the aggregate number of Shares issuable to Insiders (as a group) at any point in time exceeding 10% of the Company's issued and outstanding Shares;
 - (ii) the issuance to Insiders (as a group), within a one-year period, of an aggregate number of Shares exceeding 10% of the Company's issued and outstanding Shares;



- (iii) the aggregate number of Shares issuable to all non-employee directors of the Company exceeding 1% of the Company's issued and outstanding Shares; or
- (iv) the grant to any individual non-employee director of the Company of more than \$150,000 worth of Shares annually.

For greater certainty, any one-time initial equity grant upon a director joining the Board is excluded from each of the limitations set forth in Section 3.11(1)(c)(iii) and Section 3.11(1)(c)(iv).

- (2) In the event that a Participant receives Shares from the Company in satisfaction of a grant of Restricted Share Units or Deferred Share Units 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 (10) Business Days after the expiry of the black-out period following the date the relevant black-out period is lifted, terminated or removed.

Section 3.12 Adjustments.

Subject to any required approval by the TSX or any securities regulatory authority, in the case of any merger, amalgamation, arrangement, rights offering, subdivision, consolidation, or reclassification of the Shares or other relevant change in the capitalization of the Company, or stock dividend or distribution (excluding dividends or distributions which may be paid in cash or in Shares at the option of the Shareholder), or exchange of the Shares for other securities or property, the Company shall make appropriate adjustments in the Shares issuable and/or amounts payable, as the case may be, as determined by the Board, to preclude any dilution or enlargement of the benefits hereunder, and any such adjustment (or non-adjustment) by the Company shall be conclusive, final and binding upon the Participants. However, no amount will be paid to, or in respect of, the Participants under this Plan or pursuant to any other arrangement, and no additional Units will be granted to such Participant to compensate for a downward fluctuation in the Market Value of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose.

ARTICLE 4 RESTRICTED SHARE UNITS

Section 4.1 Grant of Restricted Share Units.

- (1) Subject to the provisions of this Plan, the Board may grant Restricted Share Units to any Eligible Person upon the terms, conditions and limitations set forth herein and such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine.
- (2) The grant of a Restricted Share Unit shall be evidenced by a Grant Agreement, signed on behalf of the Company.
- (3) The Company shall maintain a notional account for each RSU Participant, in which shall be recorded the number of vested and unvested Restricted Share Units granted or credited to such RSU Participant.
- (4) The grant of a Restricted Share Unit to a RSU Participant, or the settlement of a Restricted Share Unit, under this Plan shall neither entitle such RSU Participant to receive nor preclude such RSU Participant from receiving subsequently granted Restricted Share Units.



Section 4.2 Equivalence.

One (1) Restricted Share Unit is equivalent to one (1) Share. Fractional Restricted Share Units are permitted under this Plan.

Section 4.3 Calculation.

The number of Restricted Share Units (including fractional Restricted Share Units) granted at any particular time pursuant to this Plan will be calculated by dividing (i) the dollar amount of such grant by (ii) the Market Value of a Share on the Date of Grant.

Section 4.4 Vesting.

Except as otherwise provided in a RSU Participant's Grant Agreement or any other provision of this Plan, and subject to the Board's ability to change the RSU Vesting Date of any Restricted Share Unit pursuant to Article 7 and Article 8, Restricted Share Units granted pursuant to Section 4.1 shall vest to the extent of one-third thereof on June 30 in each of the first, second and third calendar years following the calendar year in which the Date of Grant falls, and Restricted Share Units credited pursuant to Section 3.9 shall vest simultaneously with the Restricted Share Units granted pursuant to Section 4.1 to which they relate.

ARTICLE 5 SETTLEMENT AND EXPIRY OF RESTRICTED SHARE UNITS

Section 5.1 Settlement of Restricted Share Units.

- (1) All of the vested Restricted Share Units covered by a particular grant shall be settled on the RSU Settlement Date in each calendar year.
- (2) On the RSU Settlement Date, the Company shall elect to settle the Restricted Share Units through delivery of:
 - (a) in the case of settlement for Shares, a share certificate to the RSU Participant representing Shares issued from treasury; or
 - (b) in the case of settlement for their Cash Equivalent, a cheque to the RSU Participant representing the Cash Equivalent; or
 - (c) in the case of settlement for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.
- (3) The RSU Participant will, when requested by the Company, execute and deliver all such documents relating to the settlement of the vested Restricted Share Units which the Company deems necessary or desirable.
- (4) The decision as to mode of payment shall be made by the Board in its sole discretion, and a payment of the Cash Equivalent and/or Shares, as the case may be, to any one RSU Participant shall not create any obligation for the Board to make a similar payment to any other RSU Participant.

Section 5.2 Determination of Amounts.

- (1) Payment in Shares. For the purposes of determining the number of Shares from treasury to be issued and delivered to a RSU Participant upon settlement of Restricted Share Units pursuant to Section 5.1(2)(a) or Section 5.1(2)(c), such calculation will be made on the RSU Settlement Date based on the whole number of Shares equal to the whole number of vested Restricted Share Units then recorded in the RSU Participant's Restricted Share Unit notional account that are being settled on the RSU Settlement Date, net of any Applicable Withholding Taxes, if applicable,



required to be withheld in accordance with Section 5.4. Shares issued from treasury will be issued in consideration for the past services of the RSU Participant to the Company and the entitlement of the RSU Participant under this Plan shall be satisfied in full by such issuance of Shares.

- (2) Cash Equivalent of Restricted Share Units. For purposes of determining the Cash Equivalent of Restricted Share Units to be made pursuant to Section 5.1(2)(b) or Section 5.1(2)(c), such calculation will be made on the RSU Settlement Date based on the Market Value on the RSU Settlement Date, multiplied by the number of vested Restricted Share Units in the RSU Participant's Restricted Share Unit notional account which are being settled on the RSU Settlement Date, net of any Applicable Withholding Taxes, if applicable, required to be withheld in accordance with Section 5.4.

Section 5.3 Cash Payment.

If applicable, the Company shall also make a cash payment, net of any Applicable Withholding Taxes, to the RSU Participant with respect to the value of fractional Restricted Share Units standing to the RSU Participant's credit after the maximum number of whole Shares have been issued by the Company, calculated by multiplying (i) the number of such fractional Restricted Share Units by (ii) the Market Value of such fractional Restricted Share Units on the RSU Settlement Date or if the RSU Settlement Date is not a Business Day, on the next Business Day.

Section 5.4 Applicable Withholding Taxes.

- (1) For greater certainty, unless not required under the ITA or any other applicable law, no cash payment will be made nor will Shares be issued until:
 - (a) An amount sufficient to cover the Applicable Withholding Taxes payable on the settlement of such Restricted Share Units has been received by the Company (or withheld by the Company from the Cash Equivalent and/or cash payment noted above, if applicable); or
 - (b) The RSU Participant undertakes to arrange for such number of Shares to be sold as is necessary to raise an amount equal to the Applicable Withholding Taxes, and to cause the proceeds from the sale of such Shares to be delivered to the Company.

Section 5.5 Cancellation of Restricted Share Units.

Upon payment in full of the value of the Restricted Share Units, the Restricted Share Units shall be cancelled and no further payments shall be made under this Plan in relation to such Restricted Share Units.

Section 5.6 Termination of Restricted Share Units.

Except as the Board may otherwise determine or unless otherwise provided in the RSU Participant's Grant Agreement and regardless of any adverse or potentially adverse tax or other consequences resulting from the following:

- (a) if a RSU Participant ceases to be an Eligible Person as a result of such RSU Participant's termination for cause or resignation without good reason, any unvested Restricted Share Units held by such RSU Participant shall Expire on the RSU Termination Date and be of no further force or effect whatsoever and such Participant shall no longer be eligible for a grant of RSUs; and
- (b) if a RSU Participant ceases to be Eligible Person as a result of such RSU Participant's retirement with the concurrence of the Board, as a result of the Participant's dismissal without cause or resignation for good reason, or as a result of such RSU Participant's death or Disability, any unvested Restricted Share Units held by such RSU Participant shall, at the discretion of the Board, either (i) vest and be settled on any date on or after



the RSU Termination Date or (ii) continue to vest and be settled in accordance with the Grant Agreement relating to such Restricted Share Units.

ARTICLE 6 DEFERRED SHARE UNITS

Section 6.1 Grant of Deferred Share Units.

- (1) Subject to the provisions of this Plan, the Board may grant Deferred Share Units to a DSU Participant upon the terms, conditions and limitations set forth herein and such other terms, conditions and limitations permitted by and not inconsistent with this Plan as the Board may determine.
- (2) The grant of a Deferred Share Unit shall be evidenced by a Grant Agreement, signed on behalf of the Company.
- (3) The Company shall maintain a notional account for each DSU Participant, in which shall be recorded the number of Deferred Share Units granted or credited to such Participant.
- (4) The grant of a Deferred Share Unit to a DSU Participant, or the settlement of a Deferred Share Unit, under this Plan shall neither entitle such DSU Participant to receive nor preclude such DSU Participant from receiving subsequently granted Deferred Share Units.

Section 6.2 Grant to Non-Director DSU Participants

The Board may notify a Non-Director DSU Participant that he or she shall have until July 31 in any year, or such other date as the Board determines, to acquire Shares in the open market (the “Acquired Shares”), following which the Board may, in its discretion, grant to such Non-Director DSU Participant a number of Deferred Share Units up to the number of Acquired Shares so purchased.

Section 6.3 Equivalence.

One (1) Deferred Share Unit is equivalent to one (1) Share. Fractional Deferred Share Units are permitted under this Plan.

Section 6.4 Calculation.

- (1) The number of Deferred Share Units (including fractional Deferred Share Units) granted at any particular time pursuant to this Plan will be calculated by dividing (i) the dollar amount of such grant by (ii) the Market Value of a Share on the Date of Grant.

Section 6.5 Vesting.

- (1) Subject to Section 6.2, Deferred Share Units granted pursuant to Section 6.1 (and the associated Deferred Share Units credited pursuant to Section 3.9) shall vest on the last day of the Fiscal Year for which they are granted. Subject to Section 6.11, in the event that a Participant’s DSU Termination Date falls before the last day of such Fiscal Year, one-twelfth of the Deferred Share Units granted for such Fiscal Year (and the associated Deferred Share Units credited pursuant to Section 3.9) shall vest for each completed month in that Fiscal Year prior to the DSU Termination Date, and all remaining unvested Deferred Share Units shall be forfeited on the DSU Termination Date and have no further value.
- (2) Deferred Share Units granted to Non-Director DSU Participants pursuant to Section 6.2 (and the associated Deferred Share Units credited pursuant to Section 3.9) shall vest to the extent of one-third thereof on June 30 in each of the first, second and third calendar years following the calendar year in which the Date of Grant falls, provided that the Non-Director DSU Participant



continues (i) be employed by the Company and (ii) at all times following the Date of Grant to beneficially own, directly or indirectly, and control at least the same number of Shares as he or she beneficially owned, directly or indirectly, and controlled on the Date of Grant. On a Non-Director DSU Participant's DSU Termination Date, all remaining unvested Deferred Share Units shall be forfeited on the DSU Termination Date and have no further value.

- (3) DSU Participants will not have any right to receive any benefit under this Plan in respect of a Deferred Share Unit until the DSU Termination Date.

Section 6.6 Settlement in respect of Deferred Share Units.

- (1) The Company shall elect to settle DSUs on the DSU Settlement Date through delivery of:
 - (a) in the case of settlement for Shares, a share certificate to the Participant, a dependant or relation of the Participant or the Participant's duly authorized legal representative, as the case may be, representing Shares issued from treasury; or
 - (b) in the case of settlement for their Cash Equivalent, a cheque to the 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
 - (c) in the case of settlement for a combination of Shares and the Cash Equivalent, a combination of (a) and (b) above.

Section 6.7 Determination of Amounts.

- (1) **Payment in Shares.** For the purposes of determining the number of Shares from treasury to be issued and delivered to a DSU Participant upon settlement of Deferred Share Units pursuant to Section 6.6(1)(a) or Section 6.6(1)(c), such calculation will be made on the DSU Termination Date, or if the DSU Termination Date is not a Business Day, on the next Business Day, based on the whole number of Shares equal to the whole number of vested Deferred Share Units then recorded in the Participant's Deferred Share Unit notional account that are being settled on the DSU Settlement Date, net of any Applicable Withholding Taxes, if applicable, required to be withheld in accordance with Section 6.9. Shares issued from treasury will be issued in consideration for the past services of the DSU Participant to the Company and the entitlement of the DSU Participant under this Plan shall be satisfied in full by such issuance of Shares.
- (2) **Cash Equivalent of Deferred Share Units.** For purposes of determining the Cash Equivalent of Deferred Share Units to be made pursuant to Section 6.6(1)(b) or Section 6.6(1)(c), such calculation will be made on the Market Value on the DSU Termination Date, or if the DSU Termination Date is not a Business Day, on the next Business Day, multiplied by the number of vested Deferred Share Units in the Participant's Deferred Share Unit notional account, net of any Applicable Withholding Taxes, if applicable, required to be withheld in accordance with Section 6.9, as of the DSU Termination Date.

Section 6.8 Cash Payment.

If applicable, the Company shall also make a cash payment, net of any Applicable Withholding Taxes, to the DSU Participant with respect to the value of fractional Deferred Share Units standing to the DSU Participant's credit after the maximum number of whole Shares have been issued by the Company, calculated by multiplying (i) the number of such fractional Deferred Share Units by (ii) the Market Value of such fractional Deferred Share Units on the applicable date.

Section 6.9 Applicable Withholding Taxes.

For greater certainty, unless not required under the ITA or any other applicable law, no cash payment will be made nor will Shares be issued until:



- (a) An amount sufficient to cover the Applicable Withholding Taxes payable on the settlement of such Deferred Share Units has been received by the Company (or withheld by the Company from the Cash Equivalent and/or cash payment noted above if applicable); or
- (b) The DSU Participant undertakes to arrange for such number of Shares to be sold as is necessary to raise an amount equal to the Applicable Withholding Taxes, and to cause the proceeds from the sale of such Shares to be delivered to the Company.

Section 6.10 Cancellation of Deferred Share Units.

Upon payment in full of the value of the Deferred Share Units, the Deferred Share Units shall be cancelled and no further payments shall be made under this Plan in relation to such Deferred Share Units.

Section 6.11 Termination of Deferred Share Units for Non-Director DSU Participants.

Except as the Board may otherwise determine or unless otherwise provided in the DSU Participant's Grant Agreement and regardless of any adverse or potentially adverse tax or other consequences resulting from the following:

- (a) if a Non-Director DSU Participant ceases to be an Eligible Person as a result of such Non-Director DSU Participant's termination for cause or resignation without good reason, any unvested Deferred Share Units held by such Non-Director DSU Participant shall Expire on the DSU Termination Date and be of no further force or effect whatsoever and such Non-Director DSU Participant shall no longer be eligible for a grant of DSUs; and
- (b) if a Non-Director DSU Participant ceases to be an Eligible Person as a result of such Non-Director DSU Participant's retirement with the concurrence of the Board, as a result of the Non-Director DSU Participant's dismissal without cause or resignation for good reason, or as a result of such Non-Director DSU Participant's death or Disability, any unvested Deferred Share Units held by such Non-Director DSU Participant shall, at the discretion of the Board, either (i) vest and be settled on any date on or after the DSU Termination Date or (ii) continue to vest and be settled in accordance with the Grant Agreement relating to such Deferred Share Units.

For greater certainty, except as otherwise determined by the Board, nothing in this Section 6.11 shall affect the vesting schedule of Deferred Share Units for DSU Participants that are not Non-Director DSU Participants pursuant to Section 6.5.

**ARTICLE 7
ASSUMPTION OR SUBSTITUTION OF UNITS**

Section 7.1 Substitution

- (1) In the event of a Substitution Event, any surviving or acquiring company must, unless Article 8 applies:
 - (a) Assume any Unit outstanding under this Plan on substantially the same economic terms and conditions as this Plan; or
 - (b) Substitute or replace restricted share units and deferred share units, as applicable (including an award to acquire the same consideration paid to the securityholders of the Company in the transaction affecting the Substitution Event) for those Restricted Share



Units and Deferred Share Units outstanding under this Plan on substantially the same economic terms and conditions as this Plan.

- (2) 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 Restricted Share Units and Deferred Share Units 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.
- (3) Notwithstanding any other provision of this Plan, in the event of a potential Substitution Event, the Board may, in its discretion: (i) terminate, conditionally or otherwise and on such terms as it sees fit, the Units not settled following successful completion of such Substitution Event; and (ii) accelerate, conditionally or otherwise and on such terms as it sees fit, the vesting of Units or otherwise modify the terms of the Units to assist the Participants to obtain the advantage of holding Shares during the Substitution Event. If the Substitution Event referred to in this Article 7 is not completed during the time specified therein (as the same may be extended), the Units which vested pursuant to this Article 7 will be reinstated as unvested Units and the original terms applicable to such Units will apply. If any of the Units that vested pursuant to this Article 7 were settled, the applicable Shares or the Cash Equivalent must be returned to the Company and any such Shares shall be cancelled. The determination of the Board in respect of any such Substitution Event will for the purposes of this Plan be final, conclusive and binding.

ARTICLE 8 TAKE-OVER BIDS

Section 8.1 Take-over Bids

- (1) In the event of a “potential change of control following a take-over bid” (as defined herein), 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. Subject to Section 3.3(3), in such event, all Units so vested may be settled conditionally or otherwise, from such date until their respective expiry date so as to permit the Participant to tender the Shares received upon such settlement pursuant to the take-over bid or offer. For purposes of this Article 8, 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 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 Shares then outstanding.
- (2) Notwithstanding any other provisions of this Plan, in the event of a potential change of control following a take-over bid, the Board will have the power, if determined appropriate (i) to terminate, conditionally or otherwise and on such terms as it sees fit, the Units not settled following successful completion of such event, and/or (ii) to modify the terms of the Units, conditionally or otherwise and on such terms as it sees fit, in order to assist the Participants to tender their securities under the take-over bid. For greater certainty, in the event that the acquiring entity acquires one hundred percent (100%) of the outstanding Shares following the take-over bid, the Board will have the power, if determined appropriate, to terminate the Units not settled upon the expiry of the time period for tendering Shares to the acquiring entity for purchase.



- (3) If the take-over bid referred to in this Article 8 is not completed within the time specified therein (as the same may be extended), the Units that vested pursuant to this Article 8 (if any) will be reinstated as unvested Units and the original terms applicable to such Units will apply. If any of the Units that vested pursuant to this Article 8 (if any) were settled, the applicable Shares or the Cash Equivalent must be returned to the Company, and any such Shares shall be cancelled. The determination of the Board with respect to any such event will for the purposes of this Plan be final, conclusive and binding.

ARTICLE 9 ASSIGNMENT

Section 9.1 Successors and Assigns.

In no event may the rights or interests of a Participant under this Plan 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.

Section 9.2 Rights and Obligations.

Rights and obligations under this Plan may be assigned by the Company to a successor to the business of the Company.

ARTICLE 10 GENERAL PROVISIONS

Section 10.1 Non-Exclusivity.

Nothing contained herein will prevent the Board from adopting other additional compensation arrangements for the benefit of Eligible Persons, subject to any required regulatory or Shareholder approval.

Section 10.2 No Right to Continued Employment or Consultancy.

Nothing contained herein shall (i) be construed as conferring upon any Participant the right to continued employment or consultancy, (ii) affect in any way the right of the Company (or any Affiliate thereof) or Shareholders to terminate such employment or consultancy, or (iii) affect in any way the rights of any party contained in any agreement governing a Participant's service as an employee or consultant or other agreement governing the Participant's services to the Company (or any Affiliate thereof).

Section 10.3 No Right to Continued Board Membership.

Nothing contained herein shall (i) be construed as conferring upon any Participant the right to continue as a member of the Board, (ii) affect in any way the right of the Company or Shareholders to terminate such membership, or (iii) affect in any way the rights of any party contained in any agreement governing a Participant's service as a member of the Board or other agreement governing the Participant's non-employee services to the Company (or any Affiliate thereof).

Section 10.4 Reorganization of the Company.

The existence of any Units shall not affect in any way the right or power of the Company or its Shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company (or any Affiliate thereof) or to create or issue any bonds, debentures, Shares or other securities of the Company (or any Affiliate thereof) or the rights



and conditions attaching thereto or to affect the dissolution or liquidation of the Company (or any Affiliate thereof) or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

Section 10.5 Notice

Any notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid, or delivered by courier or by facsimile transmission addressed, if to the Company (or any Affiliate thereof), to the head office of the Company, Attention: Chief Financial Officer; or, if to a Participant, to such Participant at his or her address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing, then to the last known address of such Participant; or, if to any other person, to the last known address of such person.

Section 10.6 Compliance with Legislation

The administration of this Plan shall be subject to and performed in conformity with all applicable laws, regulations, orders of governmental or regulatory authorities and the requirements of any stock exchange on which the Shares are listed. Each Participant shall comply with all such laws, regulations, rules, orders and requirements, and shall furnish the Company with any and all information and undertakings, as may be required to ensure compliance therewith.

CONFIRMED as approved by the Board of Directors of Altius Minerals Corporation effective July 24, 2015.



Schedule “A”
ALTIUS MINERALS CORPORATION
RESTRICTED SHARE UNIT GRANT AGREEMENT

Restricted Share Unit Grant Agreement dated _____, 20__ between Altius Minerals Corporation, a company existing under the laws of the Province of Alberta (the “**Company**”) and _____, an individual residing in _____ (the “**Participant**”).

WHEREAS the Company has adopted a Long Term Incentive Plan (the “**Plan**”, as it may be amended from time to time), which Plan provides for the granting of Restricted Share Units to RSU Participants (as defined in the Plan) entitling RSU Participants to receive on settlement of vested Restricted Share Units, a Cash Equivalent (as defined in the Plan), Shares in the capital of the Company or a combination thereof as determined by the Company;

AND WHEREAS the Company desires to continue to receive the benefit of the services of the Participant and to more fully align his or her interest with the Company’s future success;

AND WHEREAS the board of directors of the Company (the “**Board**”) has approved the granting of Restricted Share Units to the Participant, upon the terms and conditions hereinafter provided;

AND WHEREAS the Company desires to grant to the Participant Restricted Share Units upon the terms and conditions hereinafter provided;

AND WHEREAS capitalized terms used and not otherwise defined in this Grant Agreement shall have the meanings set forth in the Plan;

NOW THEREFORE in consideration of the foregoing and the mutual agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. **Restricted Share Units.** The Company hereby grants to the Participant, as of _____, 20____, subject to the terms and conditions hereinafter set forth, _____ Restricted Share Units (the “**Restricted Share Units**”), vesting in accordance with the terms of this Agreement and in accordance with the Plan.
2. **Vesting of the Restricted Share Units.** The Restricted Share Units shall vest according to the following table:

<u>Date</u>	<u>% of Restricted Share Units Vested</u>
June 30, 20__	1/3, for a total of 1/3 vested
June 30, 20__	1/3 additional, for a total of 2/3 vested
June 30, 20__	1/3 additional, for a total of 100% vested

3. **Subject to Plan.** These Restricted Share Units shall be subject in all respects to the provisions of the Plan, the terms and conditions of which are hereby expressly incorporated by reference, as the same may be amended from time to time in accordance therewith. A copy of the Plan shall be provided to the Participant upon his or her reasonable request from time to time.
4. **Shareholder Rights.** A Participant shall have no rights whatsoever as a shareholder of the Company in respect of any of the Restricted Share Units.



5. **Transfer of Restricted Share Unit.** The Restricted Share Units granted pursuant to this Agreement shall not be assignable or transferable by the Participant, except in accordance with the Plan.
6. **Notice.** Any notice required or permitted to be given hereunder shall be given in accordance with, and subject to, the provisions of the Plan.
7. **Governing Law.** This Agreement and the Restricted Share Units shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. **French Language.** The parties agree that this Agreement as well as all documents relating thereto be drawn up in the English language only. Les parties seront censes avoir requis que cette contrat de meme que tous les documents s'y rattachant soient rediges en anglais seulement.

IN WITNESS WHEREOF the parties have caused this Restricted Share Unit Grant Agreement to be executed as of the date hereof.

ALTIUS MINERALS CORPORATION

Per: _____
Authorized Signing Officer

NAME OF PARTICIPANT: _____

SIGNATURE OF PARTICIPANT: _____

Address: _____



Schedule “B”
ALTIUS MINERALS CORPORATION
DEFERRED SHARE UNIT GRANT AGREEMENT

Deferred Share Unit Grant Agreement dated _____, 20__ between Altius Minerals Corporation, a company existing under the laws of the Province of Alberta (the “**Company**”) and _____, an individual residing in _____ (the “**Participant**”).

WHEREAS the Company has adopted a Long Term Incentive Plan (the “**Plan**”, as it may be amended from time to time), which Plan provides for the granting of Deferred Share Units to DSU Participants (as defined in the Plan) entitling DSU Participants to receive on settlement of vested Deferred Share Units, a Cash Equivalent (as defined in the Plan), Shares in the capital of the Company or a combination thereof as determined by the Company;

AND WHEREAS the Company desires to continue to receive the benefit of the services of the Participant and to more fully align his or her interest with the Company’s future success;

AND WHEREAS the board of directors of the Company (the “**Board**”) approved the granting of Deferred Share Units to the Participant, upon the terms and conditions hereinafter provided;

AND WHEREAS the Company desires to grant to the Participant Deferred Share Units upon the terms and conditions hereinafter provided;

AND WHEREAS capitalized terms used and not otherwise defined in this Grant Agreement shall have the meanings set forth in the Plan;

NOW THEREFORE in consideration of the foregoing and the mutual agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

1. **Deferred Share Units.** The Company hereby grants to the Participant, as of _____, 20__, subject to the terms and conditions hereinafter set forth, _____ Deferred Share Units (the “Deferred Share Units”), vesting in accordance with the terms of this Agreement and in accordance with the Plan.
2. **Vesting of the Deferred Share Units.**
 - a. Deferred Share Units granted to DSU Participants that are directors of the Company shall vest on the last day of the Fiscal Year for which they are awarded. In the event that a Participant's DSU Termination Date falls before the last day of such Fiscal Year, one-twelfth of the Deferred Share Units awarded for such Fiscal Year (and the associated Deferred Share Units credited pursuant to Section 3.9 of the Plan) shall vest for each completed month in that Fiscal Year prior to the DSU Termination Date, and all remaining unvested Deferred Share Units shall be forfeited on the DSU Termination Date and have no further value.
 - b. Deferred Share Units granted to Non-Director DSU Participants shall vest to the extent of one-third thereof on June 30 in each of the first, second and third calendar years following the calendar year in which the Date of Grant falls, provided that the Non-Director DSU Participant continues to (i) be employed by the Company and (ii) at all times following the Date of Grant beneficially own, directly or indirectly, and control at least the same number of Shares as he or she beneficially owned, directly or indirectly, and controlled on the Date of Grant. On a Non-Director DSU Participant’s DSU



Termination Date, all remaining unvested Deferred Share Units shall be forfeited on the DSU Termination Date and have no further value.

3. **DSU Settlement Date.** The DSU Settlement Date shall be the first Business Day which falls 30 days after the Participant's DSU Termination Date, or if the DSU Termination Date is not a Business Day, on the next Business Day.
4. **Settlement.**
 - a. If the Company elects to settle the Deferred Share Units by paying the Participant the Cash Equivalent for the Deferred Share Units, the Participant acknowledges that the Company will deduct Applicable Withholding Taxes in accordance with the Plan.
 - b. If the Company elects to settle the Deferred Share Units by issuing the Participant Shares, the Participant understands that the Company may provide the Participant with additional instructions to:
 - i. tender cash, a certified cheque, a bank draft or money for full payment for all Applicable Withholding Taxes; or
 - ii. require the Participant to undertake to direct that a number of Shares be sold, and the proceeds of such Shares be delivered to the Company, for full payment for all Applicable Withholding Taxes.
5. **Subject to Plan.** These Deferred Share Units shall be subject in all respects to the provisions of the Plan, the terms and conditions of which are hereby expressly incorporated by reference, as same may be amended from time to time in accordance therewith. A copy of the Plan shall be provided to the Participant upon his or her reasonable request from time to time.
6. **Shareholder Rights.** A Participant shall have no rights whatsoever as a shareholder of the Company in respect of any of the Deferred Share Units.
7. **Transfer of Deferred Share Unit.** The Deferred Share Units granted pursuant to this Agreement shall not be assignable or transferable by the Participant, except in accordance with the Plan.
8. **Notice.** Any notice required or permitted to be given hereunder shall be given in accordance with, and subject to, the provisions of the Plan.
9. **Governing Law.** This Agreement and the Deferred Share Units shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
10. **French Language.** The parties agree that this Agreement as well as all documents relating thereto be drawn up in the English language only. Les parties seront censes avoir requis que cette contrat de meme que tous les documents s'y rattachant soient rediges en anglais seulement.

IN WITNESS WHEREOF the parties have caused this Deferred Share Unit Grant Agreement to be executed as of the date hereof.

ALTIUS MINERALS CORPORATION

Per: _____
Authorized Signing Officer

NAME OF PARTICIPANT: _____

SIGNATURE OF PARTICIPANT: _____

Address: _____

