ABERDEEN INTERNATIONAL INC.
NOTICE OF ANNUAL AND GENERAL MEETING OF SHAREHOLDERS

You are invited to our 2016 annual and general meeting of shareholders (the "**Meeting**") of Aberdeen International Inc. (the "**Corporation**"):

When: Wednesday, July 27, 2016 at 10:00 a.m. (Toronto time)

Where: 65 Queen Street West, Suite 800, Toronto, Ontario M5H 2M5

The purpose of the Meeting is as follows:

1. **Financial Statements**. Receive and consider the audited financial statements as at and for the fiscal year ended January 31, 2016, together with the report of the auditors thereon;

2. **Auditor Appointment.** Consider and appoint McGovern Hurley Cunningham LLP as auditor of the Corporation;

3. **Elect Directors**. Consider and elect the directors for the ensuing year; and

4. **Other Business**. Consider other business as may properly come before the Meeting or any postponement(s) or adjournment(s) thereof.

This notice is accompanied by a form of proxy, a management information circular (the "**Circular**"), and the audited consolidated financial statements of the Corporation as at and for the fiscal years ended January 31, 2016 and 2015 and the related management's discussion and analysis of financial condition.

You may vote your shares by proxy if you are unable to attend the meeting. Please review the enclosed Circular and date, sign and return the enclosed form of proxy to the Corporation's transfer agent by Monday, July 25, 2016.

The directors of the Corporation have fixed the close of business on June 22, 2016 as the record date, being the date for the determination of the registered holders entitled to notice and to vote at the Meeting and any adjournments(s) thereof.

DATED at Toronto, Ontario as of the 23rd day of June, 2016

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) David Stein

President & Chief Executive Officer

ABOUT THE SHAREHOLDER MEETING

Solicitation of Proxies

You have received this management information circular (the "**Circular**") because you owned common shares ("**Common Shares**") of Aberdeen International Inc. ("**Aberdeen**" or the "**Corporation**") as of June 22, 2016. You are therefore entitled to vote at the 2016 annual and general meeting of shareholders (the "**Meeting**") to be held on July 27, 2016, and any postponement(s) or adjournment(s) thereof.

The board of directors of the Corporation has set the record date for the Meeting as June 22, 2016 (the "**Record Date**").

Management is soliciting your proxy for the Meeting. The board of directors of Aberdeen (the "**Board**") has fixed 10:00 a.m. (Toronto time) on July 25, 2016, or 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) of the Meeting, as the time by which proxies to be acted upon at the Meeting shall be deposited with the Corporation's transfer agent. Costs associated with the solicitation by management will be borne by Aberdeen.

These materials are being sent to both registered and non-registered owners of the securities. The Corporation or its agent has obtained information regarding non-registered owners in accordance with the applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation shall make a list of all persons who are registered shareholders of the Corporation ("**Shareholders**") on the Record Date and the number of Common Shares registered in the name of each person on that date. Each Shareholder is entitled to one vote on each matter to be acted on at the Meeting for each Common Share registered in his name as it appears on the list.

Unless otherwise stated, the information contained in this Circular is as of the Record Date. All dollar amount references in this Circular, unless otherwise indicated, are expressed in Canadian dollars. United States dollars are referred to as "United States dollars" or "US$".

Voting

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **You may appoint some other person or entity to represent you at the Meeting by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent of the Corporation indicated on the enclosed envelope not later than the times set out above.**

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing at 65 Queen Street West, Suite 800, Toronto, Ontario M5H 2M5 at any time up to and including the last business day preceding the day of the Meeting.

Voting of Proxies

Registered Shareholders

You can vote in person or vote by proxy. Voting by proxy is the easiest way to vote because you can appoint anyone to be your proxyholder to attend the meeting and vote your shares according to your instructions. This person does not need to be a shareholder. The executive officers named in the proxy form can act as your proxyholder and vote your shares according to your instructions.

If you appoint the Aberdeen proxyholders and do not indicate your voting instructions, they will vote your shares:

- **FOR the appointment of the auditors**
- **FOR the nominated directors**

If you want to appoint someone else as your proxyholder, print that person's name in the blank space provided in the proxy form (or complete another proxy form) and send the form to the Corporation's transfer agent. Make sure this person is aware that you appointed them as your proxyholder and that they must attend the meeting to vote on your behalf and according to your instructions. If you do not indicate your voting instructions, your proxyholder can vote as he or she sees fit.

At the time of printing this Circular, management is not aware of any amendments, variations or other matters to come before the Meeting. If other matters are properly brought before the Meeting, your proxyholder can vote as he or she sees fit.

The transfer agent must receive the completed proxy form by 10:00 a.m. (Toronto time) on July 25, 2016, or 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) of the Meeting.

Non-Registered Shareholders

Non-Registered Shareholders are those holders who beneficially own Common Shares in the name of an intermediary such as, banks, trust companies, securities dealers (all, an "**Intermediary**") or in the name of a clearing agency such as CDS&Co. Securities laws require the Corporation to send the meeting materials to the Intermediaries and clearing agencies so they can distribute them to our non-registered shareholders. These materials include the notice of the meeting, the circular, a proxy or voting instruction form, a consent form to receive supplemental mailings, a copy of the Corporation's 2016 annual report if the Non-Registered Shareholder requested a copy and documents by electronic delivery.

Intermediaries and clearing agencies must forward the meeting materials to Non-Registered Shareholders unless the shareholder has waived the right to receive them. If you're a Non-Registered Shareholder and have not waived the right to receive the materials, your package includes either a voting instruction form (not signed by your intermediary), or a proxy form (signed by your intermediary).

Either form instructs your intermediary (the respective registered shareholder) to vote your shares according to your instructions. Be sure to send back your completed form as soon as possible to ensure your intermediary carries out your voting instructions.

Voting Securities and Principal Holders

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of the Record Date, the Corporation had 88,912,282 Common Shares issued and outstanding and no preferred shares issued and outstanding. To the knowledge of the directors and officers of the Corporation, as at the Record Date, no person beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than 10% of the voting rights attached to the Common Shares, other than Mr. Lloyd I. Miller III, who has disclosed publicly that he holds or controls 11,876,000 Common Shares, which represents approximately 13.4% of the outstanding Common Shares.

BUSINESS OF THE MEETING

Other than in respect of the election of directors, no informed person (as such term is defined under applicable securities laws) of the Corporation or Nominee (and each of their associates or affiliates) has had any direct or indirect material interest in any transaction involving the Corporation since February 1, 2015 or in any proposed transaction that has materially affected or would materially affect the Corporation or its subsidiaries.

Financial Statements

The financial statements as at and for the financial year ended January 31, 2016, together with the auditor's report thereon, will be presented to Shareholders for review at the Meeting and were mailed to Shareholders with the Notice of Meeting and this Circular. No vote by the Shareholders is required with respect to this matter.

Appointment of Auditors

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote for the appointment of McGovern Hurley Cunningham LLP, Chartered Accountants, as auditors of the Corporation until the close of the next annual meeting of shareholders of the Corporation and to authorize the directors to fix their remuneration. McGovern Hurley Cunningham LLP, Chartered Accountants, have been the auditors of the Corporation since March 7, 2006.

The following table sets out the fees billed by the Corporation's auditors for the years ended January 31, 2016 and 2015.

Service	2016	2015
Audit Fees	$63,000	$80,000
Audit-Related Fees	NIL	NIL
Tax Fees	NIL	NIL
Other Fees	NIL	NIL
Total:	**$63,000**	**$80,000**

For additional information about the Corporation's auditors and the Audit Committee, please refer to the section "Committees of the Board – Audit Committee".

Election of Directors

The Corporation has nominated six persons (the "**Nominees**") for election as directors of the Corporation, who will hold office until the next annual meeting of the Corporation or until his or her successor is elected or appointed. At the Meeting, Shareholders will be asked to elect these Nominees as directors of the Corporation. **The persons in the enclosed form of proxy intend to vote for the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director.**

As the Corporation has adopted a Majority Voting Policy, the process for voting for election of each director will be by individual voting and not by slate. The Shareholders can vote for or withhold from voting on the election of each director on an individual basis. See "Corporate Governance Practices" for more information on our Majority Voting Policy.

Director Profiles

Each of the six nominated directors is profiled below, including his background and experience, committee memberships, meeting attendance for the year ended January 31, 2016, share ownership and other public company directorships.

STAN BHARTI, EXECUTIVE CHAIRMAN
AGE: 63
ONTARIO, CANADA

DIRECTOR SINCE AUGUST 2005

Mr. Bharti has over 30 years of experience in operations, public markets and finance. Over the last ten years Mr. Bharti has been involved in acquiring, restructuring and financing resource companies. He is a Professional Mining Engineer and holds a Masters Degree in Engineering from Moscow, Russia and the University of London, England. During the past five years, Mr. Bharti's principal occupation has been as the Executive Chairman of Forbes & Manhattan, Inc. ("**F&M**"). In addition, Mr. Bharti is a director of several public and private companies.

Shareholdings:	7,285,000 Common Shares (8.19%)
2015 Board Attendance:	5 of 7 (71%)
Other Reporting Issuer Boards:	ARHT Media Inc. Belo Sun Mining Corp. Sulliden Mining Capital Inc. Stetson Oil and Gas Ltd.

GEORGE FAUGHT, EXECUTIVE VICE-CHAIRMAN
AGE: 66
ONTARIO, CANADA

DIRECTOR SINCE NOVEMBER 2005

Mr. Faught is a Chartered Professional Accountant and Chartered Accountant with over 30 years of senior management experience. From 2006 to 2012, Mr. Faught was the Chief Executive Officer of the Corporation. Since 2012, Mr. Faught has served as the Executive Vice Chairman of the Corporation. He has served as the Chief Financial Officer of publicly traded companies in the natural resources, financial services and pharmaceutical industries. Mr. Faught has broad financial management, corporate development and operating experience and from 1999 to 2005 served as the Chief Financial Officer for North American Palladium Ltd., a mid-tier platinum group metal producer. Prior to that, he served as Chief Financial Officer for Hudson Bay Mining & Smelting Co. Ltd., an integrated base metals producer, and William Resources Inc., an international gold producer. He also serves as a director of Marathon Gold Corporation.

Shareholdings:	6,460,000 Common Shares (7.26%)
2015 Board Attendance:	6 of 7 (85%)
Other Reporting Issuer Boards:	Marathon Gold Corporation

DAVID STEIN, PRESIDENT AND CEO
AGE: 39
ONTARIO, CANADA

DIRECTOR SINCE OCTOBER 2009

Mr. Stein has been the President of Aberdeen since 2009 and the CEO of Aberdeen since 2011. He was previously a mining equities analyst (gold mining) with Cormark Securities Inc. Mr. Stein joined Cormark's predecessor Sprott Securities Inc. in 2001 and was a publishing analyst for nine years. Mr. Stein holds a Master of Science degree (Economic Geology) and Bachelor of Applied Science (Geological Engineering) from Queen's University, and is a CFA charter holder.

Shareholdings:	7,149,666 Common Shares (8.04%)
2015 Board Attendance:	7 of 7 (100%)

Other Public Company Boards: Rodinia Lithium Inc.

MAURICE COLSON, DIRECTOR
AGE: 73
ONTARIO, CANADA

DIRECTOR SINCE JANUARY 2015

Mr. Colson has worked in the investment industry for more than 35 years and was for many years managing director for a major Canadian investment dealer in the United Kingdom. He is actively involved in providing strategic counsel and assistance with financing to emerging private and public companies in Canada and to Canadian companies operating internationally. He sits on the board of directors of several Toronto Stock Exchange and TSX Venture Exchange listed companies and is the former President and Chief Executive Officer of Lithium One Inc. Mr. Colson holds a Masters of Business Administration degree.

Shareholdings:	Nil
2015 Board Attendance:	6 of 7 (85%)
Other Public Company Boards:	Banro Corporation Hornby Bay Mineral Exploration Inc. Delrand Resources Limited Loncor Resources Inc. Stetson Oil & Gas Ltd. China Goldcorp Ltd.

JOHN BEGEMAN, DIRECTOR
AGE: 62
SOUTH DAKOTA, USA

DIRECTOR SINCE JANUARY 2015

Mr. Begeman is a Professional Mining Engineer with over 35 years of mining experience. He currently sits on the board of directors of Yamana Gold Inc. and Premier Gold Mines Limited. Mr. Begeman is the Chairman of the Sustainability Committee for Yamana Gold Inc. which oversees health, safety and environmental matters as well as performs a review of reserves and resources. In this capacity he takes an active role in ensuring closed mines are properly reclaimed in accordance with applicable governmental and industry standards. Mr. Begeman is also a member of the Audit Committee of Yamana Gold Inc. Mr. Begeman is also the Executive Chairman of the board of Premier Gold Mines Limited. He has previously served as the President and Chief Executive Officer of Avion Gold Corporation from 2008 to 2012. Mr. Begeman holds a B.Sc. in Mining Engineering, a M.S. in Engineering Management and a Masters of Business Administration degree.

Shareholdings:	15,000 (0.016%)
2015 Board Attendance:	7 of 7 (100%)
Other Reporting Issuer Boards:	Yamana Gold Inc. Premier Gold Mines Limited

BERNIE WILSON
AGE: 73
ONTARIO, CANADA

DIRECTOR SINCE MARCH 2007

Mr. Wilson is a senior financial professional. He is the former Vice-Chairman of PriceWaterhouseCoopers LLP. Further, Mr. Wilson is the Chairman of the Founders Board of the Institute of Corporate Directors. Mr. Wilson has served as Chairman of the Canadian Chamber of Commerce; Chairman of the International Chamber of Commerce – Canada; and Member of the Canada/US Trade Committee. Mr. Wilson is currently a director of a number of other public Canadian companies.

Shareholdings: 10,000 (0.01%)

2015 Board Attendance: 7 of 7 (100%)
Other Reporting Issuer Boards: Imperus Technologies Corp.
Valencia Ventures Inc.

Meeting Attendance

The following table shows the director attendance record for the year ended January 31, 2016.

Director	Board	Audit Committee	Compensation Committee	Corporate Governance Committee
Stan Bharti	5 of 7 (71%)	N/A	N/A	N/A
George Faught	6 of 7 (85%)	N/A	N/A	N/A
David Stein	7 of 7 (100%)	N/A	N/A	N/A
Maurice Colson	6 of 7 (85%)	3 of 3 (100%)	1 of 1	N/A
John Begeman	7 of 7 (100%)	3 of 3 (100%)	1 of 1	N/A
Ken Taylor(1)	4 of 5 (80%)	N/A	N/A	N/A
Bernie Wilson	7 of 7 (100%)	3 of 3 (100%)	1 of 1	N/A

Notes:
(1) Ken Taylor, O.C. passed away on October 15, 2015.

Other Information about the Director Nominees

Mr. Bharti was a director of Kansai Mining Corporation ("**Kansai**"), a company listed on the TSX Venture Exchange. On January 29, 2008, a cease trade order was issued against Kansai and each of the directors and officers, as a result of Kansai failing to file comparative financial statements for the year ended September 30, 2007 and management's discussion and analysis for the period ended September 30, 2007. On March 5, 2008, the cease trade order was revoked.

Mr. Bharti was an officer and director of Stetson Oil & Gas Ltd. which on May 7, 2008 became subject to a cease trade order for failing to file its financial statements. On May 30, 2008, the cease trade order was revoked.

No director or executive officer of the Corporation is or has been, within the ten 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 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.

No director or executive officer has, within the ten 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 director or executive officer.

No proposed director has been subject to (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Other than as set forth above, no other director or executive officer of the Corporation is, or within ten years prior to the date hereof has been, 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 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 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 director, chief executive officer or chief financial officer.

CORPORATE GOVERNANCE

The Corporation and the Board recognize the importance of corporate governance in effectively managing the Corporation, protecting employees and shareholders, and enhancing shareholder value.

The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation's operations at regular meetings and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks the Corporation faces.

The Corporation believes that its corporate governance practices are in compliance with applicable Canadian requirements. The Corporation is committed to monitoring governance developments to ensure its practices remain current and appropriate.

Ethical Business Conduct

The Board is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct.

Code of Conduct

The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") for its directors, officers and employees. The Corporate Governance Committee has responsibility for monitoring compliance with the Code by ensuring all directors, officers and employees receive and become thoroughly familiar with the Code and acknowledge their support and understanding of the Code. Any non-compliance with the Code is to be reported to the CEO. In addition, the Board conducts regular audits to test compliance with the Code.

The Board takes steps to ensure that directors, officers and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or employee of the Corporation has a material interest, which include ensuring that directors, officers and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from the Corporation's Directors and the Chairman and CEO regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations in all jurisdictions in which the Corporation conducts business; providing guidance to directors, officers and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

A copy of the Code and other corporate governance policies may be found under the profile of the Corporation on SEDAR at www.sedar.com or upon request to the Corporation by contacting the Corporate Secretary of the Corporation by email at ryanp@fmfinancialgroup.com or by telephone at (416) 861-5882.

Whistleblower Policy

The Corporation has adopted a Whistleblower Policy that allows its directors, officers, consultants and employees who feel that a violation of the Code has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, to report such violations or concerns on a confidential and anonymous basis. Reporting a violation of the Code is made by informing anonymously to the Whistleblower hotline or URL or (if desired) to a member of the Audit Committee, who then investigates each matter so reported and takes corrective and disciplinary action, if appropriate. Reporting concerns regarding financial statement disclosure or other appropriate issues are to be forwarded in a sealed envelope to the Chairman of the Audit Committee who then investigates each matter reported and takes corrective and disciplinary action, if appropriate.

ABOUT THE BOARD

Independence of the Board

The Board is currently comprised of six members, three members of whom the Board (50%) has determined are independent as at the year ended January 31, 2016.

Director	Independent	Not Independent	Reason for Non-Independence
Stan Bharti		√	Executive Chairman of the Board
George Faught		√	Executive Vice Chairman of the Board
David Stein		√	President and Chief Executive Officer of the Corporation
Maurice Colson	√		
John Begeman	√		
Bernie Wilson	√		

To facilitate the functioning of the Board independently of management, the following structures and processes are in place:

- the Board has appointed a lead director who is independent of the Corporation;
- members of management, including without limitation, the President and CEO of the Corporation, are not present for the discussion and determination of certain matters at meetings of the Board unless required;
- each of the Audit, Corporate Governance and Compensation Committees of the Board are comprised solely of independent directors;
- under the by-laws of the Corporation, any two directors may call a meeting of the Board;
- the President and CEO’s compensation is considered by the Board, in his absence, and by the Compensation Committee at least once a year;
- in addition to the standing committees of the Board, independent committees will be appointed from time to time, when appropriate;
- a committee comprised solely of independent and non-conflicted members will be convened to consider and, if deemed appropriate, approve any investment by the Corporation that is considered non-arm’s length, and
- the Board policy holds in-camera meetings with the independent directors at the end of each meeting of the Board.

Executive Chairman

The Executive Chairman of the Board is Stan Bharti. In terms of the governance of the Corporation, the Executive Chairman’s primary roles are to chair all meetings of the Board and shareholder meetings in a manner that promotes meaningful discussion, to manage the affairs of the Board, including ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities. The Executive Chairman’s responsibilities include, without limitation, ensuring that the Board works together as a cohesive team with open communication, ensuring that the resources available to the Board are adequate to support its work, and working with the corporate governance committee to ensure that the necessary processes are in place to assess the effectiveness of the Board and its committees at least annually. The Executive Chairman also acts as the primary spokesperson for the Board, ensuring that management is aware of concerns of the Board, Shareholders, other stakeholders and the public and, in addition, ensures that management strategies, plans and performance are appropriately presented to the Board. The Executive Chairman of the Board maintains communications with the Corporation's executive management and consults regularly with the Board and management on the development and operation of the Corporation's projects.

Lead Director

In connection with its enhancement of its corporate governance practices, the Corporation has re-appointed Bernie Wilson, who will draw upon his wealth of experience as Chairman of the ICD, as the Lead Director of the Board. Mr. Wilson is an independent director and will facilitate the functioning of the Board independently of management.

The Lead Director, nominated by the Corporate Governance Committee and appointed by the Board, is an independent director who is designated by the Board to aid and assist the Executive Chairman and, where applicable, the Executive Vice-Chairman and the remainder of the Board in assuring effective corporate governance in managing the affairs of the Board and the Corporation and to enhance and protect the independence of the Board. The Lead Director's responsibilities include, but are not limited to: chairing Board meetings when the Executive Chairman or the CEO is unavailable or when there is any potential conflict; providing leadership to the Board to enhance effectiveness, including ensuring that responsibilities of the Board are well understood by the Board and by management; ensuring the Board works together as a cohesive team; ensuring that a process is in place by which the effectiveness of the CEO, the Executive Chairman, the Board and its committees is assessed on a regular basis; chairing in camera sessions of independent directors, in association with regularly scheduled Board meetings, to discuss issues relating to the Corporation's business without the presence of management or the Executive Chairman and CEO; and communicating with the Executive Chairman and CEO and the entire Board, as appropriate, the results of private discussions among outside directors or the results of in camera sessions of the independent directors.

In addition, the Lead Director shall assist with managing the Board, including but not limited to: adopting procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings; ensuring that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board; ensuring that a succession planning process is in place to appoint the Executive Chairman, the CEO, President and other members of management when necessary; working with the Corporate Governance Committee to consider questions of possible conflicts of interest or breaches of the Code, as such questions arise, and working with the Investment Committee to consider questions of possible conflicts of interests.

Further, at the request of the Board and the CEO and/or the Executive Chairman, or in the event of the absence or the incapacity of the Executive Chair or the CEO, the Lead Director shall represent the Corporation to external groups such as Shareholders and other stakeholders, including community groups and governments.

Position Descriptions

The Corporation has not developed position descriptions for the Executive Chairman, the Committee Chairmen or the Chief Executive Officer. The Board assists in defining the roles of these positions through its regular meetings and past practices. The responsibilities of these positions are well-known by the Board and the respective officers due to their extensive experience and knowledge in the industry and based on customary practice.

The Board Mandate

The Board has adopted a written Board mandate in its Charter of the Board (the "**Charter**"), pursuant to which the Board assumes responsibility for the stewardship of the Corporation, the supervision of the Corporation's business affairs and acting in the best interests of the Corporation and the Shareholders. In discharging its mandate, the Board is responsible for the oversight and review of the following, among other things:

- the strategic planning process of the Corporation;
- identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy for the Corporation to facilitate communications with investors and other interested parties; and
- the integrity of the Corporation's internal control and management information systems.

The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee, the Corporate Governance Committee and an ad hoc Investment Committee. See "Committees of the Board of Directors". A copy of the Charter is attached hereto as Schedule "A".

Meetings of Independent Directors

The independent directors comprise the committees of the Board and hold in camera sessions without management at their committee meetings to review the business operations, corporate governance, compensation, and financial results of the Corporation. For each Director's attendance at duly scheduled meetings for the year ended January 31, 2016, please see above under "Business of the Meeting – Election of Directors – Meeting Attendance".

Nomination of Directors

Generally, the Corporate Governance Committee, which is composed entirely of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board, and reviewing the qualifications of new candidates proposed by other members of the Board. The process by which the Board anticipates that it will identify new candidates is through recommendations of the Corporate Governance Committee whose responsibility it is to develop, and periodically update and recommend to the Board for approval, a long-term plan for Board composition that takes into consideration the following: (a) the independence of each director; (b) the competencies and skills the Board, as a whole, should possess such as financial literacy, integrity and accountability, the ability to engage in informed judgment, governance, strategic business development, excellent communications skills and the ability to work effectively as a team; (c) the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics; and (d) the strategic direction of the Corporation.

Board Assessments

The Board and its individual directors are assessed on an informal basis continually as to their effectiveness and contribution. All directors are free to make suggestions for improvement of the practice of the Board at any time and are encouraged to do so.

Majority Voting Policy

The Corporation has adopted a Majority Voting Policy to provide a meaningful way for the Corporation's shareholders to hold individual directors accountable and to require the Corporation to closely examine directors that do not have the support of a majority of Shareholders. The policy provides that forms of proxy for the election of directors will permit a Shareholder to vote in favour of, or to withhold from voting, separately for each director nominee and that where a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Pursuant to the policy, such a nominee will forthwith submit his or her resignation to the Board, such resignation to be effective on acceptance by the Board. The Board will then establish an advisory committee (the "**Committee**") to which it shall refer the resignation for consideration. In such circumstances, the Committee will make a recommendation to the Board as to the director's suitability to continue to serve as a director after reviewing, among other things, the results of the voting for the nominee and the Board will consider such recommendation. This policy does not apply where an election involves a proxy battle (i.e., where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board).

Orientation and Continuing Education

Generally, the Corporate Governance Committee is responsible for ensuring that new directors are provided with an orientation and education program, which will include written information about the duties and obligations of directors, board committees and the role of the Board including the business and operations of the Corporation, documents from recent board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all meetings of the board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board notes that it has benefited from the experience and knowledge of individual members of the Board in respect of the evolving governance regime and principles. The Board ensures that all directors are apprised of changes in the Corporation's operations and business as well as developments in the resource industry and applicable laws.

F&M hosted its annual director education seminar on December 10, 2015. Expert speakers from various backgrounds discussed a variety of topics with the directors in attendance, including representatives from McGovern, Hurley, Cunningham, LLP who presented on trending issues for audit committees and Patricia Mohr, Vice-President & Commodity Market Specialist at Scotiabank who presented on commodity prices, currencies and global growth. Messrs. Stein and Colson were each in attendance.

Mr. Wilson has completed, and is a founding member of, the Directors Education Program from the Rotman School of Business.

Aberdeen's Diversity Policy

Aberdeen introduced a diversity policy in January 2015 as part of an amendment and update of its corporate governance and nominating committee charter. Aberdeen believes the diversity policy evidences Aberdeen's commitment to increased diversity, including the identification and nomination of women to the board of directors. In the policy, the Company recognizes the value and unique contribution people can make because of their individual background and different skills, experiences and perspectives. To support this, when identifying candidates to recommend for appointment or nomination to the board and its various committees, the corporate governance and nominating committee will, among other things, consider diversity criteria including gender, age, ethnicity and geographic background. In practice, since introducing the diversity policy, the corporate governance and nominating committee has actively sought and considered female director candidates. Aberdeen aspires towards board composition in which each gender comprises at least one-third of the independent directors.

At present, there are no female members among the Company's six board members or its small executive management team. However, the Company is in process of identifying female candidates for the board. With regard to increasing the diversity among its executive officers, during this commodity downturn, Aberdeen has focused on rationalizing costs and reducing compensation. In this context, it has not looked to hire any executive officers, nor does it expect to add any executive officers of any gender.

COMMITTEES OF THE BOARD

As of the Record Date, the Board had the following three standing committees:

- Audit Committee
- Corporate Governance Committee
- Compensation Committee

In addition, as of the Record Date, the Board had an ad hoc Investment Committee which meets on a regular basis, as needed, to consider and approve any investments in respect of which members of the Board or management may have conflicting interests.

All of the standing committees are comprised of directors who are independent of management and each of the committees report directly to the Board. From time to time, when appropriate, ad hoc committees of the Board may be appointed by the Board.

Audit Committee

The purposes of the Audit Committee are to assist the Board's oversight of: the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements; the qualifications and independence of the Corporation's independent auditors; and the performance of the independent auditors and the Corporation's internal audit function.

As of January 31, 2016, the Corporation's Audit Committee was comprised of three directors: Maurice Colson (Chair), Bernie Wilson and John Begeman and each of the members is considered financially literate and independent, as required by applicable securities laws. Please refer to "Director Profiles", above, for the relevant education and experience of each of the members of the Audit Committee.

The members of the Audit Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

External Auditor

The Audit Committee pre-approves all non-audit services to be provided to the Corporation or its subsidiary entities by the issuer's external auditors.

Please see page 4 for the fees paid to external auditors in 2016 and 2015. You can find more information about the audit committee in our Annual Information Form dated April 29, 2016 on SEDAR (www.sedar.com). The Annual information Form includes a copy of the Audit Committee Charter at Schedule B.

Corporate Governance Committee

The Corporate Governance Committee is comprised of Bernie Wilson (Chair), Maurice Colson and John Begeman, each of whom is an independent director. Please refer to "Director Profiles", commencing on page 5, for the relevant education and experience of each of the members of the Corporate Governance Committee.

The Corporate Governance Committee's responsibilities include periodically reviewing the charters of the Board and the committees of the Board; assisting the Chairman and Lead Director of the Board in carrying out their responsibilities; considering and, if thought fit, approving requests from directors for the engagement of independent counsel in appropriate circumstances; preparing and recommending to the Board a set of corporate governance guidelines, the Code and annually preparing and reviewing the Corporation's Corporate Governance disclosure to be included in the Corporation's management information circular; annually reviewing the Board's relationship with management to ensure the Board is able to, and in fact does, function independently of management; assisting the Board by identifying individuals qualified to become Board members and members of Board committees; leading the Board in its annual review of the Board's performance; and assisting the Board in monitoring compliance by the Corporation with legal and regulatory requirements.

The members of the Corporate Governance Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

Compensation Committee

The Compensation Committee is comprised of John Begeman (Chair), Maurice Colson and Bernie Wilson, each of whom is an independent director. Please refer to "Director Profiles", commencing on page 5, for the relevant education and experience of each of the members of the Compensation Committee.

The Compensation Committee is established by the Board to assist the Board in fulfilling its responsibilities relating to human resources and compensation issues and to establish a plan of continuity for executive officers and other members of senior management (collectively, "**Executive Management**"). The Compensation Committee ensures that the Corporation has an executive compensation plan that is both motivational and competitive so that it will attract, hold and inspire performance of executive management of a quality and nature that will enhance the sustainable profitability and growth of the Corporation.

The Compensation Committee's role is to review compensation philosophy and practices for the Corporation, which includes reviewing the compensation philosophy and practices (a) for Executive Management, for recommendation to the Board for its consideration and approval, and (b) relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs.

The members of the Compensation Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

It is the general compensation philosophy of the Corporation to provide a blend of base salaries, bonuses and an equity incentive component, as summarized under the heading "Executive Compensation: Compensation Discussion & Analysis".

The Compensation Committee:

(a) will periodically review the terms of reference for the Corporation's President and Chief Executive Officer and recommend any changes to the Board for approval;

(b) will review corporate goals and objectives relevant to the compensation of the President and Chief Executive Officer and recommend them to the Board for approval; and

(c) reviews, and if appropriate recommends to the Board for approval, any agreements between the Corporation and the President and Chief Executive Officer, as appropriate.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

For the financial year ended January 31, 2016, the objectives of the Corporation's compensation strategy were to ensure that compensation for its NEOs (as defined herein) is sufficiently attractive to recruit, retain and motivate high performing individuals to assist Aberdeen in achieving its goals. The Corporation attempts to ensure that compensation is also fair, balanced and linked to the performance of the Corporation and the individual NEO.

Compensation for the NEOs is composed primarily of three components: base fees, performance bonuses and security based compensation. The determination of each component is based on informal discussions among the members of the Compensation Committee who may draw upon their experience and broad knowledge of industry standards and performance based on informal expectations and goals. In establishing the levels of base fees, the award of stock options and performance bonuses, the Corporation informally considers individual performance, responsibilities and length of service. Performance is broadly reviewed and includes achievement of the Corporation's strategic objective of growth and the enhancement of shareholder value through increases in the net asset value of its investments. Performance bonuses are considered from time to time on a discretionary basis, as discussed in further detail below. The compensation determination process is discretionary and is not based on formal benchmarks or formal and specific quantified measures, other than with respect to the bonus pool calculation set out below.

The Board does not have a pre-determined compensation plan, but rather reviews the performance of the NEOs and considers a variety of factors informally. The Board believes that the compensation paid to each NEO during the last fiscal year was commensurate with the NEO's position, experience and performance.

Executive Chairman Compensation

In his capacity as director and Executive Chairman, Mr. Bharti provides management of the Corporation with advisory services relating to capital raising and strategic transactions, development of investment opportunities and relationship building with key investors, in addition to his contacts made through his extensive 30-year career in the areas of management team building, mergers, acquisitions, restructuring and financings. The services provided by Mr. Bharti are advisory in nature stemming from his specific expertise.

In addition, Mr. Bharti is the Executive Chairman of F&M, which is owned by a family member of Mr. Bharti. F&M provides services to the Corporation through a number of individuals, including administrative, financial and information technology. For completeness and for the purposes of providing full disclosure, the Summary Compensation Table factors into Mr. Bharti's compensation the $25,000 monthly fee payable to F&M in accordance with the consulting agreement described under "Executive Compensation – Compensation of Officers - Termination of Employment, Change in Responsibilities and Employment Contracts", set out below. For clarity, this is not compensation paid directly to Mr. Bharti.

F&M provides various administrative, strategic and technical services to the Corporation through its team of geologists, mining engineers and financial professionals. The nature of the services provided includes assistance with strategic planning and development of business plans, development of capital markets strategy, assessment of strategic transactions, including business, technical and geological, and financial due diligence, fostering public and government relationships and fostering relationships with strategic investors and investment banks. The Corporation believes these services contribute to the success of the Corporation and its ability to procure strategic portfolio investments.

See "Executive Compensation – Compensation of Officers - Termination of Employment, Change in Responsibilities and Employment Contracts" below for detailed information with respect to Mr. Bharti's compensation.

The Board believes that the compensation paid to each NEO during the last fiscal year was commensurate with the NEO's position, experience and performance.

Chief Executive Officer Compensation

The components of the President and Chief Executive Officer's compensation are the same as those that apply to the other senior executive officers of the Corporation, namely base salary, cash bonus and long-term security-based compensation.

Risks Associated with Compensation

In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's executive compensation program, the Board does not presently deem it necessary to consider the implications of the risks associated with its compensation policies and practices.

Financial Instruments

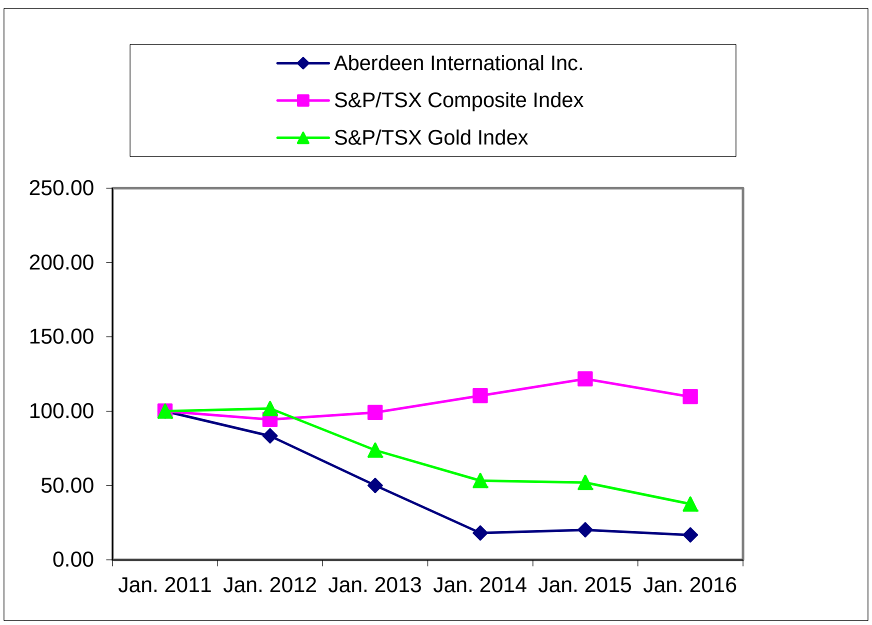
The Corporation does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity. However, to the knowledge of the Corporation as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Performance Graph

The following graph compares the yearly percentage change in the cumulative total shareholder return for $100 invested in Common Shares on February 1, 2011 against the cumulative total shareholder return of the S&P/TSX Composite Index and the S&P/TSX Gold Index for the five most recently completed financial years of the Corporation, assuming the reinvestment of all dividends.

Broadly, executive compensation has tracked both the share price and shareholder's equity over the past several years due in part to the long-term bear market trend in the mining sector. However since discretionary compensation such as bonuses are typically based, at least in part, on recent performance of the investment portfolio (i.e. the previous year's performance) and share price, executive compensation will often lag by as much as a year or more. The performance graph relates to the total cumulative shareholder return.

	Jan. 2011	Jan. 2012	Jan. 2013	Jan. 2014	Jan. 2015	Jan. 2016
Aberdeen International Inc.	100.00	83.33	50.00	18.06	20.14	16.67
S&P/TSX Composite Index	100.00	94.35	99.08	110.38	121.70	109.67
S&P/TSX Gold Index	100.00	101.76	73.72	53.31	52.00	37.51



Components of Compensation

Base Fees

Salaries form an essential component of the Corporation's compensation mix as they are the first base measure to remain competitive relative to industry compensation practices, are fixed and therefore not subject to uncertainty and can be used as the base to determine other elements of compensation and benefits. In determining the base salary of an executive officer, the Compensation Committee takes into account the recommendations from the President and Chief Executive Officer of the Corporation and may consider the particular responsibilities related to the position; what the Compensation Committee members believe is industry practice; the experience, expertise and level of the executive officer; his or her length of service; level of responsibilities; and his or her overall performance based on informal feedback. There is no mandatory framework that determines which of these factors may be more or less important and the emphasis placed on any of these factors may vary among the executive officers. The determination of base salaries relies principally on negotiations between the respective NEO and the Corporation and is therefore heavily discretionary.

Bonus Payments

The purpose of the Corporation's bonus program is to provide the NEOs with the opportunity to receive an annual cash incentive that is related to the progress of the Corporation and individual performance. Through informal discussions among management, as approved by the Compensation Committee and the Board, executive officers are eligible for annual cash bonuses. The Corporation is focused on the investment and management of small-cap companies in the resource sector. As a result, the Compensation Committee believes that financial incentives should relate to the accomplishment of a key milestone relating to the success of the Corporation's investment portfolio, among other corporate developments. Executive officers are also eligible to receive a discretionary bonus based on the performance of the Corporation's portfolio. During the year ended January 31, 2016, the Corporation did pay bonuses to certain directors as more particularly described in the Director Summary Compensation Table on page 25.

Long-term Incentives and Options

Stock Option Awards

The Compensation Committee believes that granting stock options to key personnel encourages retention and more closely aligns the interests of Executive Management with the interests of shareholders. As the investment of the Corporation's financial resources into portfolio companies is central to its business, the inclusion of options in compensation packages allows the Corporation to compensate employees while not drawing on limited cash resources. The number of options to be granted is based on the relative contribution and involvement of the individual in question and consideration of previous option grants.

During the financial year ended January 31, 2016, the Corporation did not grant any stock options to any NEO, director, officer, consultant or employee of the Corporation.

The Corporation has adopted a stock option plan (the "**Stock Option Plan**"). The Stock Option Plan was approved by the shareholders of the Corporation at its last annual meeting held on June 26, 2014. The following is a summary of the terms of the Stock Option Plan, which is qualified in its entirety by the provisions of the Stock Option Plan.

- The number of options ("**Options**") that may be granted may not exceed 10% of the number of issued and outstanding Common Shares at the time of the stock option grant, from time to time. The Stock Option Plan is considered to be an "evergreen plan" since the Common Shares covered by options which have been exercised shall be available for subsequent grants under the Stock Option Plan, and the number of options available to grant increases as the number of issued and outstanding Common Shares increase.

- Options are non-assignable and may be granted to employees, officers, directors and certain consultants of the Corporation and designated affiliates.
- Upon the termination of an optionholder's engagement with the Corporation, the cancellation or early vesting of any stock option shall be in the discretion of the Board. In general, the Corporation expects that stock options will be cancelled 90 days following an optionholder's termination from the Corporation.
- The aggregate number of Shares issuable pursuant to the Stock Option Plan and any other Share Compensation Arrangement (as defined in the Stock Option Plan) (pre-existing or otherwise) to Insiders (as defined in the Stock Option Plan) shall not exceed 10% of the Shares outstanding at any time.
- The aggregate number of Shares issued upon exercise of the Options granted pursuant to the Stock Option Plan and any other Share Compensation Arrangement (as defined in the Stock Option Plan) pre-existing or otherwise) to Insiders (as defined in the Stock Option Plan) shall not exceed 10% of the Shares then outstanding.
- The periods within which Options may be exercised and the number of Shares which may be issuable upon the exercise of Options in any such period shall be determined by the Board at the time of granting the Options provided, however, that all Options must be exercisable during a period not extending beyond five years from the date of the Option grant.
- In the event that the expiry of an Option Period (as defined in the Stock Option Plan) falls within, or within two days of, a trading blackout period imposed by the Company (the "**Blackout Period**"), the expiry date of such Option Period shall be automatically extended to the tenth business day following the end of the Blackout Period.
- The exercise price per Option shall be determined by the Board at the time the Option is granted, but, in any event, shall not be less than the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of the grant of the Option.
- Amendments to the Stock Option Plan require shareholder approval, except in certain instances, including but not limited to the following: (i) amendments of a housekeeping nature; (ii) the addition of or a change to vesting provisions of a security or the Stock Option Plan; (iii) a change to the termination provisions of a security or the Stock Option Plan that does not entail an extension beyond the original expiry date; and (iv) the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Stock Option Plan reserve.
- There is no transformation of stock options granted under the Stock Option Plan into stock appreciation rights involving the issuance of securities from the treasury of the Corporation.
- The Corporation will not provide financial assistance to any optionholder to facilitate the exercise of options under the Stock Option Plan.

In accordance with TSX policy, the Corporation is required to seek shareholder approval for its Stock Option Plan every three years. Shareholders of the Corporation approved the Stock Option Plan at its annual general and special meeting held on June 26, 2014 and accordingly, the Corporation is not seeking Shareholder approval of the Stock Option Plan at the Meeting.

The table below sets out the outstanding options under the Stock Option Plan, being the Corporation's only compensation plan under which Common Shares are authorized for issuance, as of January 31, 2016.

.	**Number of securities to be issued upon exercise of outstanding options, warrants and rights**	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a))**
Plan Category	**(a)**	**(b)**	**(c)**
Equity compensation	3,075,000	$0.54	477,913

plans approved by security holders			
Equity compensation plans not approved by security holders	NIL	NIL	NIL
TOTAL	**3,075,000**	**$0.54**	**477,913**

The total number of Common Shares issuable on the exercise of actual Stock Options that have been granted and remain outstanding under the Stock Option Plan is 3,075,000 Common Shares, representing approximately 3.22% of the Common Shares outstanding as at January 31, 2016. There were 95,529,128 Common Shares of the Corporation outstanding and 10% of the current issued and outstanding share capital is 9,552,913. Based on the current number of issued and outstanding Common Shares, 6,477,913 Stock Options remain available for issuance under the plan (representing approximately 6.78% of the issued and outstanding Common Shares).

Restricted Share Unit Incentive Plan and Deferred Share Unit Incentive Plan

Prior to the year ended January 31, 2013, the Board approved and authorized the creation of a Restricted Share Unit Incentive Plan (the "**RSU Plan**") and a Deferred Share Unit Incentive Plan (the "**DSU Plan**") (the RSU Plan and the DSU Plan, collectively the "**Plans**"). The RSU Plan shall provide for the issuance of units ("**RSUs**") to acquire Common Shares by way of purchases of Common Shares by an independent trustee pursuant to a trust set up and funded by the Corporation. Each RSU shall entitle each participant to receive one Common Share, without payment of additional consideration, on the applicable vesting date without any further action on the part of the holder of the RSU.

The DSU Plan shall provide for the issuance of units ("**DSUs**") by way of cash payments to each participant in an amount that represents the value of one Common Share for each DSU held on the date upon which the Participant ceases to be a director of the Corporation.

The purpose of the Plans is to attract, retain and motivate individuals with the requisite training, experience and leadership to carry out key roles with the Corporation, to advance the interests of the Corporation by providing such individuals with appropriate compensation and to strengthen the alignment of the RSU and DSU holders' interest with the interests of shareholders.

Directors, officers and key management employees of the Corporation are eligible to participate in the Plans. The Plans are administered by the Board, which may determine from time to time, after considering recommendations of the Compensation Committee, the number and timing of RSUs and/or DSUs to be awarded and the applicable vesting criteria, provided that the vesting period does not exceed three years. The value of a RSU and a DSU is based on the trading price of the Common Shares.

During the year ended January 31, 2016 the Corporation did not grant any RSUs and there were not any RSUs outstanding. Similarly, the Corporation did not grant any DSUs to board members of the Corporation.

Other Compensation Matters

Indebtedness of Directors and Officers

As at the date of this Circular, and during the financial year ended January 31, 2016, no director or executive officer of the Corporation or Nominee (and each of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Corporation or its subsidiaries, or (ii) any other entity which is, or was at any time during the financial year ended January 31, 2016, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries.

Directors' and Officers' Insurance and Indemnification

The Corporation maintains insurance for the benefit of its directors and officers against liability in their respective capacities as directors and officers. The Corporation has purchased in respect of directors and officers an aggregate of $5,000,000 in coverage. The approximate amount of premiums paid by the Corporation during the financial year ended January 31, 2016 in respect of such insurance was $19,440.

2015 Executive Compensation

Summary Compensation Table

The following table summarizes the compensation paid during the three financial years ended January 31, 2016, 2015 and 2014 in respect of the individuals who were carrying out the role of the CEO, the Chief Financial Officer of the Corporation (the "**CFO**") and each of the three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was individually more than $150,000 for that financial year (the "**Named Executive Officers**" or "**NEOs**").

Name and principal position	Year Ended	Salary ($)(1)	Share - based awards ($)(2)	Option - based awards ($)(3)	Non-equity incentive plan compensation ($)		All other compensation ($)(5)	Total compensation ($)
					Annual incentive plans(4)	Long-term incentive plans		
Stan Bharti Executive Chairman	2016	300,000	NIL	NIL	NIL	NIL	NIL	300,000
	2015	300,000	137,500	NIL	NIL	NIL	NIL	437,500
	2014	300,000	275,000	NIL	NIL	NIL	NIL	575,000
George Faught Vice Executive Chairman	2016	250,000	NIL	NIL	NIL	NIL	NIL	250,000
	2015	250,000	100,000	NIL	NIL	NIL	NIL	350,000
	2014	250,000	200,000	NIL	NIL	NIL	NIL	450,000
David Stein President and Chief Executive Officer	2016	300,000	NIL	NIL	NIL	NIL	NIL	300,000
	2015	300,000	112,500	NIL	NIL	NIL	NIL	412,500
	2014	300,000	225,000	NIL	NIL	NIL	NIL	525,000
Ryan Ptolemy Chief Financial Officer and Corporate Secretary	2016	20,000	NIL	NIL	NIL	NIL	NIL	20,000
	2015	20,000	10,000	NIL	NIL	NIL	NIL	30,000
	2014	20,000	20,000	NIL	NIL	NIL	NIL	40,000
Richard Bishop(6) Former Vice President, Investments	2016	245,000	NIL	NIL	NIL	NIL	NIL	245,000
	2015	210,000	25,000	NIL	NIL	NIL	NIL	235,000
	2014	210,000	50,000	NIL	NIL	NIL	NIL	260,000

Notes:

(1) Compensation paid as consulting fees under the independent contractor agreements with the Named Executive Officers as described under the heading "Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts" of this Circular.

(2) The figures shown reflect the grant day fair value of RSUs approved by the Compensation Committee for the specific years as at the date of grant. For the July 1, 2014 RSU grants, the last trading day preceding the date of grant is the grant date fair value. Grant day fair value is determined by multiplying the number of RSUs by the closing price of the Common Shares on the Toronto Stock Exchange on the day preceding the grant date.

(3) The value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Scholes Model, as at the date of grant. Key assumption and parameter described in Aberdeen's financial statements.

(4) Compensation received in the form of discretionary performance based bonuses in accordance with the bonus compensation policy of the Corporation as described under the heading "Executive Compensation - Compensation of Officers – Compensation Discussion and Analysis" set out above.

(5) Other benefits did not exceed the lesser of $50,000 and 10% of the total annual compensation for the Named Executive Officer.

(6) Subsequent to the year ended January 31, 2015, Mr. Bishop was terminated as an employee and officer of the Corporation. The compensation figures provided include severance payments.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each Named Executive Officer outstanding as of January 31, 2016.

Outstanding Share-Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)(1)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Stan Bharti Executive Chairman	500,000	500,000 at $0.44	June 12, 2017	Nil	NIL	NIL	NIL
George Faught Vice Executive Chairman	500,000	500,000 at $0.44	June 12, 2017	Nil	NIL	NIL	NIL
David Stein President & Chief Executive Officer	875,000	875,000 at $0.44	June 12, 2017	Nil	NIL	NIL	NIL
Ryan Ptolemy Chief Financial Officer and Corporate Secretary	50,000	50,000 at $0.44	June 12, 2017	Nil	NIL	NIL	NIL
Richard Bishop Vice President, Investments	100,000	100,000 at $0.44	June 12, 2017	Nil	NIL	NIL	NIL

Notes:
(1) Based on the closing market price of $0.12 of the Common Shares on January 31, 2016.
(2) These options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
(3) Subsequent to the year ended January 31, 2015, Mr. Bishop was terminated as an employee and officer of the Corporation.

Value on Pay-Out or Vesting of Incentive Plan Awards

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for the financial year ended January 31, 2016.

Name	Option-based awards – Value during the year on vesting ($)(1)	Share-based awards – Value during the year on vesting ($)	Non-equity incentive plan compensation – Pay-out during the year ($)
Stan Bharti Executive Chairman	NIL	n/a	n/a
George Faught Vice Executive Chairman	NIL	n/a	n/a

David Stein President and Chief Executive Officer	NIL	n/a	n/a
Ryan Ptolemy Chief Financial Officer and Corporate Secretary	NIL	n/a	n/a
Richard Bishop[(2)] Vice President, Investments	NIL	n/a	n/a

Notes:
(1) None of the Named Executive Officers, other than Stan Bharti, exercised any options during the year ending January 31, 2016.
(2) Subsequent to the year ended January 31, 2015, Mr. Bishop was terminated as an employee and officer of the Corporation.

Termination of Employment, Change in Responsibilities, and Employment Contracts

The following describes the respective consulting agreements entered into by the Corporation and the Named Executive Officers in effect as of the Record Date.

Stan *Bharti, Executive Chairman*

The Corporation has a contract with F&M, of which Mr. Bharti is the Executive Chair, for administrative and managerial services, dated August 1, 2005 and amended February 1, 2008, January 1, 2009 and September 1, 2011, pursuant to which F&M is entitled to compensation for the provision of such services of base fees of $25,000 per month. The term of this agreement is for three years, but may be terminated at any time for just cause without notice and may be terminated for any reason by either party upon 30 days written notice to the other party. Additionally, in the event that there is a Change in Control (as hereinafter defined) of the Corporation, either the Corporation or F&M may terminate this agreement within one year from the date of such Change in Control upon making a lump sum termination payment to F&M equivalent to 36 months in base fees plus an amount that is equivalent to all cash bonuses paid to F&M in the 36 months prior to the Change in Control. The estimated incremental payments, payables and benefits that might be paid to F&M pursuant to this agreement in the event of termination without cause or after a Change of Control (assuming such termination or Change of Control was effective as of January 31, 2016) are $175,068 and $900,000 respectively. All options granted but not vested vest automatically upon a Change in Control (where applicable).

George Faught, Executive Vice-Chairman

The Corporation entered into a contract with George Faught effective from November 1, 2005 (and subsequently amended on March 1, 2006 and February 1, 2008) pursuant to which Mr. Faught agreed to provide management services to the Corporation commencing on that day. Mr. Faught is entitled to compensation for the provision of such services in the amount of $20,833.33 per month, effective February 1, 2008.

On May 25, 2016 the Corporation and Mr. Faught entered into a termination agreement effective May 3, 2016 whereby the Corporation accepted Mr. Faught's resignation as President of Aberdeen Barbados Inc., a wholly-owned subsidiary of the Corporation. As per the termination agreement Mr. Faught will continue to serve as Vice Chairman of the Corporation for a period of twelve months. Pursuant to the terms of Mr. Faught's consulting agreement, the Corporation will pay Mr. Faught twelve equal instalments of $20,833.33 representing termination pay. Additionally, in the event that there is a change of control of the Corporation (as hereinafter defined), either the Corporation or Mr. Faught may terminate this agreement within one year from the date of such Change in Control upon making a lump sum termination payment to Mr. Faught equivalent to 36 months in base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Faught in the 36 months prior to the Change in Control. The estimated incremental payments, payables and benefits that might be paid to Mr. Faught pursuant to this agreement in the event of termination without cause or after a Change of Control (assuming such termination or Change of Control was effective as of January 31, 2016) are $250,000 and $750,000 respectively. All options granted but not vested vest automatically upon a change of control (where applicable).

David Stein, President and CEO

The Corporation entered into a consulting agreement with David Stein on September 1, 2009, as amended on June 5, 2012, pursuant to which Mr. Stein agreed to provide management services to the Corporation in the capacity of President and Chief Executive Officer. Mr. Stein is entitled to compensation for the provision of such services in the amount of $25,000 per month. In the event of termination, Mr. Stein is entitled to the equivalent of 12 months base fees. Additionally, in the event of Change in Control, either the Corporation or Mr. Stein may terminate this agreement within one year from the date of such Change in Control upon making a lump sum termination payment to Mr. Stein that is equivalent to 36 months base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Stein in the 36 months prior to the Change in Control. The estimated incremental payments, payables and benefits that might be paid to Mr. Stein pursuant to this agreement in the event of termination without cause or after a Change in Control (assuming such termination or Change in Control was effective as of January 31, 2016) are $300,000 and $900,000 respectively. All options granted but not vested vest automatically upon a Change in Control (where applicable).

Ryan Ptolemy, CFO and Corporate Secretary

The Corporation entered into a consulting agreement with Ryan Ptolemy effective October 7, 2010 pursuant to which Mr. Ptolemy agreed to provide management consulting services to the Corporation. Mr. Ptolemy is entitled to compensation for the provision of such services in the amount of $1,666.67 per month. In the event of termination without cause, Mr. Ptolemy is entitled to receive the equivalent of 3 months in base fees. Additionally, in the event of a Change in Control of the Corporation, either the Corporation or Mr. Ptolemy may terminate the agreement within one year from the date of such Change in Control upon making a lump sum termination payment to Mr. Ptolemy equivalent to 24 months base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Ptolemy in the 24 months prior to the Change in Control. On December 13, 2010, Mr. Ptolemy was appointed as the Corporate Secretary. The estimated incremental payments, payables and benefits that might be paid to Mr. Ptolemy pursuant to this agreement in the event of termination without cause or after a Change in Control (assuming such termination or Change in Control was effective as of January 31, 2016) are $20,000 and $40,000 respectively. All options granted but not vested vest automatically upon a Change in Control (where applicable).

"**Change in Control**" is defined as:

(1) the acquisition, directly or indirectly, by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the *Canada Business Corporations Act*) or group of persons acting jointly or in concert, as such terms are defined in the *Securities Act* (Ontario) of: (A) shares or rights or options to acquire shares of the Corporation or securities which are convertible into shares of the Corporation or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 30% or more of the votes entitled to be cast at a meeting of the shareholders of the Corporation; (B) shares or rights or options to acquire shares, or their equivalent, of any material subsidiary of the Corporation or securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 30% or more of the votes entitled to be cast a meeting of the shareholders of the material subsidiary; or (C) other than in the ordinary course of business of the Corporation, more than 30% of the material assets of the Corporation, including the acquisition of more than 30% of the material assets of any material subsidiary of the Corporation; or

(2) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent

management information circular of the Corporation for election to the Corporation's board of directors do not constitute a majority of the Corporation's board of directors.

Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the Named Executive Officers pursuant to the above noted agreements in the event of termination without cause or after a Change in Control are detailed below:

Named Executive Officer	Termination not for Cause ($)	Termination on a Change of Control as of January 31, 2016 ($)
Forbes & Manhattan Inc.		
Salary and Quantified Benefits	175,068	900,000
Bonus	-	-
Total	175,068	900,000
David Stein		
Salary and Quantified Benefits	300,000	900,000
Bonus	-	-
Total	300,000	900,000
George Faught		
Salary and Quantified Benefits	250,000	750,000
Bonus	-	-
Total	250,000	750,000
Ryan Ptolemy		
Salary and Quantified Benefits	20,000	40,000
Bonus	-	-
Total	20,000	40,000
TOTAL	**745,068**	**2,590,000**

DIRECTOR COMPENSATION

Compensation of directors for the financial year ended January 31, 2016 was determined on a case-by-case basis with reference to the role that each director provided to the Corporation. The following information details compensation paid in the recently completed financial year. Compensation of directors who are also NEO's is disclosed above under the table entitled "2016 Executive Compensation – Summary Compensation Table".

In 2011, the Corporation adopted a non-executive independent director fee compensation plan. Pursuant to this compensation plan, non-executive independent directors are entitled to receive $5,000 in directors' fees per quarter ($20,000 per annum). In addition, the Chairs of the Corporate Governance Committee and the Compensation Committees are each entitled to receive a $2,500 fee per annum, and the Audit Committee Chair is entitled to an additional $5,000 fee per annum.

Director Summary Compensation Table

Name	**Fees earned ($)**	**Share–based awards ($)**	**Option-based awards ($)[1]**	**Non-equity incentive plan compensation ($)[2]**	**All other compensation ($)[3]**	**Total ($)**
John Begeman	22,500	N/A	NIL	25,000	NIL	47,500
Maurice Colson	25,000	N/A	NIL	15,000	NIL	40,000

Ken Taylor	16,667	N/A	NIL	25,000	NIL	41,667
Bernard Wilson, FCA	22,709	N/A	NIL	30,000	NIL	52,709
TOTALS	**86,876**	**N/A**	**NIL**	**95,000**	**NIL**	**181,876**

Notes:

(1) The dollar value ascribed to option grants represents non-cash consideration and has been estimated using the Black Scholes Model as at the date of grant.
(2) Compensation received in the form of discretionary performance based bonuses accrued in accordance with the bonus compensation policy as described in further detail under the heading "Compensation of Officers" set out above.
(3) Other benefits did not exceed the lesser of $50,000 and 10% of the total annual compensation for the named director.

Directors may also receive discretionary cash bonuses from time to time, which the Corporation awards to directors for serving in their capacity as a member of the Board. The directors were awarded cash bonuses during the year ended January 31, 2016 totalling $95,000.

The Corporation does not currently prescribe a set of formal objective measures to determine discretionary bonus entitlements. Rather the Corporation uses informal goals which may include an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Corporation. Precise goals or milestones are not pre-set by the Board with the exception of the calculation of the bonus pool as it relates to performance bonuses, as set out under the heading "Executive Compensation – Compensation of Officers – Compensation Discussion & Analysis".

In addition, as a director, directors are entitled to participate in the Stock Option Plan, the Restricted Share Unit Plan and Deferred Share Unit Plan, as applicable, which are designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Corporation.

Executive officers who also act as directors of the Corporation do not receive any additional compensation for services rendered in their capacity as directors.

During the financial year ended January 31, 2016, directors were granted the fees in their capacity as directors of the Corporation as is set out in the table below. Note that disclosure regarding the compensation of Stan Bharti, George Faught and David Stein can be found above under the heading "Executive Compensation – Summary Compensation Table". The directors, other than George Faught, David Stein and Stan Bharti, received their compensation exclusively in their capacity as directors.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of January 31, 2016, other than Messrs. Bharti, Faught and Stein, whose compensation was included above under "Executive Compensation".

Outstanding Share-Based Awards and Option-Based Awards

	Option-based Awards				**Share-based Awards**		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)(1)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
John Begeman	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Maurice Colson	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Bernard Wilson	50,000	50,000 at $0.44	June 12, 2017	NIL	NIL	28,000	NIL

Notes:
(1) Based on the closing market price of $0.12 of the Common Shares on January 31, 2016.
(2) These options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on date of exercise.

Value on Pay-Out or Vesting of Incentive Plan Awards

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for the financial year ended January 31, 2016.

Name	Option awards – Value during the year on vesting ($)(1)	Share awards – Value during the year on vesting ($)	Non-equity incentive plan compensation – Pay-out during the year ($)
John Begeman	NIL	n/a	n/a
Stan Bharti(2)	NIL	n/a	n/a
Maurice Colson	NIL	n/a	n/a
George Faught(2)	NIL	n/a	n/a
David Stein(2)	NIL	n/a	n/a
Ken Taylor	NIL	n/a	n/a
Bernard Wilson, FCA	NIL	n/a	n/a

Notes:
(1) Based on the closing market price of $0.12 of the Common Shares on January 31, 2016.
(2) Information for director also disclosed above on page 22 "Value on Pay-Out of Vesting of Incentive Plan Awards".

ADDITIONAL INFORMATION AND CONTACT INFORMATION

Additional Information

Additional information relating to the Corporation may be found under the profile of the Corporation on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's audited financial statements and related management's discussion and analysis for the financial year ended January 31, 2016, which can be found under the profile of the Corporation on SEDAR. Shareholders may also request these documents from the Corporate Secretary of the Corporation by email at ryanp@fmfinancialgroup.com or by telephone at (416) 861-5882.

Board of Directors Approval

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

BY ORDER OF THE BOARD OF DIRECTORS

"David Stein"

President & Chief Executive Officer

Toronto, Ontario
June 23, 2016

SCHEDULE “A”

ABERDEEN INTERNATIONAL INC.
Charter of the Board of Directors

I. GENERAL

The Board of Directors of Aberdeen International Inc. (the “**Company**”) is responsible for the stewardship and the general supervision of the management of the business and for acting in the best interests of the Company and its shareholders. The Board will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee and the Corporate Governance Committee. In addition, the Board may from time to time, appoint such additional committees as it deems necessary and appropriate in order to discharge its duties, including but not limited to an Investment Committee, as constituted from time to time. Each committee shall have its own charter. The Board shall meet regularly, but not less than once each quarter, to review the business operations, corporate governance and financial results of the Company. Meetings of the Board of Directors will also include regular meetings (not less than once annually) of the independent members of the Board without management being present.

II. COMPOSITION

The Board of Directors shall be constituted at all times of at least 50% of “independent directors” within the meaning of National Policy 58-201 *Corporate Governance Guidelines*. Pursuant to Canadian corporate governance guidelines (except in respect of British Columbia), in order to be considered “independent”, directors shall have no direct or indirect material relationship with the Company. In British Columbia, a director shall be considered independent unless a reasonable person with knowledge of all relevant circumstances would conclude that the director is in fact not independent of management or of any significant shareholder.

III. RESPONSIBILITIES

The Board of Directors’ mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- The assignment to the various committees of directors the general responsibility for developing the Company’s approach to: (i) corporate governance and nomination of directors; (ii) financial reporting and internal controls; and (iii) compensation of officers and senior employees.

- With the assistance of the Corporate Governance Committee:
    - Reviewing the composition of the Board and ensuring it respects its independence criteria.
    - Satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the organization.
    - The assessment, at least annually, of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including, consideration of the appropriate size of the Board.
    - Ensuring that an appropriate review selection process for new nominees to the Board is in place.
    - Ensuring that an appropriate orientation and education program for new members of the Board is in place.
    - Approving and revising from time to time as circumstances warrant a corporate disclosure and communications policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and communities in which the business of the Company is conducted.

- With the assistance of the Audit Committee:
  - Ensuring the integrity of the Company's internal controls and management information systems.
  - Ensuring the Company's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
  - Identifying the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks.
  - Reviewing and approving significant operational and financial matters and the provision of direction to management on these matters.
  - As required and agreed upon, providing assistance to shareholders concerning the integrity of the Company's reported financial performance.

- With the assistance of the Compensation Committee and the Chief Executive Officer, the approval of the compensation of the senior management team.

- With the assistance of the Investment Committee, as constituted from time to time, once established and implemented, reviewing and considering certain investment decisions to be made by the Company above certain thresholds and reviewing and considering possible conflicts of interest.

- Succession planning including the selection, training, appointment, monitoring evaluation and, if necessary, the replacement of the senior management to ensure management succession.

- The adoption of a strategic planning process, approval at least annually of a strategic plan that takes into account business opportunities and business risks identified by the Board and/or the Audit Committee and monitoring performance against such plans.

- The review and approval of corporate objectives and goals applicable to the Company's senior management.

- Enhancing congruence between shareholder expectations, Company plans and management performance.

- Reviewing with senior management material transactions outside the ordinary course of business and such other major corporate matters which require Board approval including the payment of dividends, the issue, purchase and redemption of securities, acquisitions and dispositions of material assets and material capital expenditures and approving such decisions as they arise.

- Retaining outside financial, legal or other advisors to the Company at the expense of the Company.

- Performing such other functions as prescribed by law or assigned to the Board in the Company's constating documents and by-laws.

<u>Schedule “B”</u>

<u>ABERDEEN INTERNATIONAL INC.</u>

AUDIT COMMITTEE CHARTER

I. PURPOSE

The Audit Committee shall provide assistance to the Board of Directors of Aberdeen International Inc. (the “Corporation”) in fulfilling its financial reporting and control responsibilities to the shareholders of the Corporation and the investment community. The external auditors will report directly to the Audit Committee. The Audit Committee’s primary duties and responsibilities are to:

- Oversee the accounting and financial reporting processes of the Corporation, and the audit of its financial statements, including: (i) the integrity of the Corporation’s financial statements; (ii) the Corporation’s compliance with legal and regulatory requirements; and (iii) the external auditors’ qualifications and independence.
- Serve as an independent and objective party to monitor the Corporation’s financial reporting processes and internal control systems.
- Review and appraise the audit activities of the Corporation’s external auditors.
- Provide open lines of communication among the external auditors, financial and senior management, and the Board of Directors for financial reporting and control matters, and meet periodically with management and with the external auditors.

II. COMPOSITION

The Audit Committee shall be comprised of at least three directors. Each Committee member shall be an “independent director” within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”), as may be amended from time to time. Pursuant to NI 52-110, a member will be considered “independent” if he has no direct or indirect, material relationship with the Corporation. NI 52-110 sets forth certain relationships which deem one not to be independent. In addition, the composition of the Audit Committee shall comply with the rules and regulations of the Toronto Stock Exchange and any other stock exchange on which the shares of the Corporation are listed, subject to any waivers or exceptions granted by such stock exchange.

All members shall, to the satisfaction of the Board of Directors, be financially literate in accordance with the requirements of the NI 52-110 (i.e. will have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements).

The Committee members will be appointed annually at the first meeting of the Board of Directors following the annual general meeting of shareholders and will serve at the pleasure of the board or until their successors are duly appointed.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall be resolution determine.

III. RESPONSIBILITIES AND POWERS

Responsibilities and powers of the Audit Committee include:

- Annual review and revision of this Charter as necessary with the approval of the Board of Directors provided that this Charter may be amended and restated from time to time without the approval of the Board of Directors to ensure that that the composition of the Audit Committee and the Responsibilities and Powers of the Audit Committee comply with applicable laws and stock exchange rules.

- Making recommendations to the Board of Directors regarding the selection and, if necessary, the replacement of the external auditors (to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Corporation).

- Approving the appropriate audit engagement fees and the funding for payment of the external auditors' compensation and any advisors retained by the Audit Committee.

- Ensuring that the external auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.

- Confirming the independence of the auditors, which will require receipt from the external auditors of a formal written statement delineating all relationships between the external auditors and the Corporation and any other factors that might affect the independence of the auditors and reviewing and discussing with the auditors any significant relationships and other factors identified in the statement. Reporting to the Board of Directors its conclusions on the independence of the auditors and the basis for these conclusions.

- Overseeing the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services, including (to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Corporation).

- Pre-approving all non-audit services to be provided by the external auditors to the Corporation or its subsidiaries.

- Ensuring that the external auditors are prohibited from providing the following non-audit services and determining which other non-audit services the external auditors are prohibited from providing:

    - bookkeeping or other services related to the accounting records or financial statements of the Corporation;

    - financial information systems design and implementation;

    - appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

    - actuarial services;

    - internal audit outsourcing services;

    - management functions or human resources;

    - broker or dealer, investment adviser or investment banking services;

- legal services and expert services unrelated to the audit; and
- any other services which the Public Corporation Accounting Oversight Board determines to be impermissible.

- Pre-approving all audit services, internal control related services and approving any permissible non-audit engagements of the external auditors, in accordance with applicable legislation.

- Meeting with the external auditors and financial management of the Corporation to review the scope of the proposed audit for the current year, and the audit procedures to be used.

- Meeting quarterly with external auditors in “in camera” sessions to discuss reasonableness of the financial reporting process, system of internal control, significant comments and recommendations and management’s performance.

- Reviewing with management and the external auditors:

    - the Corporation’s annual financial statements (and interim financial statements as applicable) and related notes, management’s discussion and analysis and the annual information form, for the purpose of recommending approval by the Board of Directors prior to their release, and ensuring that:

        - management has reviewed the audited financial statements with the audit committee, including significant judgments affecting the financial statements
        - the members of the Committee have discussed among themselves, without management or the external auditors present, the information disclosed to the Committee
        - the Committee has received the assurance of both financial management and the external auditors that the Corporation’s financial statements are fairly presented in conformity with Canadian GAAP in all material respects

    - Any significant changes required in the external auditors’ audit plan and any serious issues with management regarding the audit.

    - the Corporation’s internal controls report and the external auditors’ certification of the report, and review disclosures made to the Committee by the CEO and CFO about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Corporation’s internal controls.

    - Other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards.

- Satisfying itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, and assessing the adequacy of such procedures periodically.

- Reviewing with the external auditors and management the adequacy and effectiveness of the financial and accounting controls of the Corporation.

- Establishing procedures: (i) for receiving, handling and retaining of complaints received by the Corporation regarding accounting, internal controls, or auditing matters, and (ii) for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.

- Reviewing with the external auditors any audit problems or difficulties and management's response and resolving disagreements between management and the auditors and reviewing and discussing material written communications between management and the external auditors, such as any management letter of schedule of unadjusted differences.

- Making inquires of management and the external auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk to the Corporation.

- Obtaining reports from management and the Corporation's external auditors that the Corporation is in conformity with legal requirements and the Corporation's Code of Business Conduct and Ethics and reviewing reports and disclosures of insider and affiliated party transactions.

- Discussing any earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies.

- Reviewing any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.

- Ensuring that the Corporation's Annual Information Form and the Corporation's Management Information Circular contains the disclosure as required by law, including that required by NI 52-110.

- Reviewing with financial management and the external auditors interim financial information, including interim financial statements, management discussion and analysis and financial press releases for the purpose of recommending approval by the Board of Directors prior to its release.

- At least annually obtaining and reviewing a report prepared by the external auditors describing (i) the auditors' internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the auditors, or by any inquiry of investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditors, and any steps taken to deal with any such issues; and (iii) all relationships between the external auditors and the Corporation (to assess auditors' independence).

- Reviewing and approving the Corporation's hiring policies for employees or former employees of the past and present external auditors.

- Engaging independent counsel and other advisors, without seeking approval of the Board of Directors or management, if the Committee determines such advisors are necessary to assist the Committee in carrying out its duties and setting and paying for any counsel or advisors employed by the Audit Committee for such purpose. The Committee shall advise the Board of Directors and management of such engagement.

- Discussing with the Corporation's legal counsel legal matters that may have a material impact on the financial statements or on the Corporation's compliance policies and internal controls.

- Conducting special investigations, independent of the Board of Directors or management, relating to financial and non-financial related matters concerning the Corporation and/or any one or more of its directors, officers, employees, consultants and/or independent contractors, if determined by the Committee to be in the best interests of the Corporation and its shareholders. The Committee may advise the Board of Directors with respect to the initiations of such investigations and shall periodically report any findings such investigation to the Board of Directors.

- Establishing the budget process, which process shall include the setting of spending limits and authorizations and periodical reports from the Chief Financial Officer of actual spending as compared to the budget.

- Adopting such policies and procedures as the Committee deems appropriate to operate effectively.

IV. MEETINGS

The Audit Committee will meet regularly at times necessary to perform the duties described above in a timely manner, but not less than four times a year and any time the Corporation proposes to issue a press release with its quarterly or annual earnings information. Meetings may be held at any time deemed appropriate by the Committee.

The Audit Committee shall meet periodically in separate executive sessions with management (including the Chief Financial Officer), the internal auditors and the independent auditors, and have such other direct and independent interaction with such persons from time to time as the members of the Audit Committee deem appropriate. The Audit Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The external auditors will have direct access to the Committee at their own initiative.

The Chairman of the Committee will report periodically the Committee's findings and recommendations to the Board of Directors.