ANNUAL INFORMATION FORM

For the Fiscal Year ended
December 31, 2016

Metropolitan Place
99 Wyse Road, Suite 1480
Dartmouth, Nova Scotia
B3A 4S5

February 28, 2017

TABLE OF CONTENTS

Page

GENERAL PROVISIONS 2
- Date of Information 2
- Incorporation by Reference 2
- Currency and Exchange Rates 2
- Caution Regarding Forward-Looking Statements 2

CORPORATE STRUCTURE 3
GENERAL DEVELOPMENT OF THE BUSINESS 4
DESCRIPTION OF THE BUSINESS OF THE CORPORATION 7
- General 7
- Risk Factors 7
- Mineral Projects - Donkin Coal Mine 12

DIVIDENDS 16
DESCRIPTION OF CAPITAL STRUCTURE 16
MARKET FOR SECURITIES 16
DIRECTORS AND OFFICERS 17
CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS 18
INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS 19
TRANSFER AGENT AND REGISTRAR 19
MATERIAL CONTRACTS 19
INTERESTS OF EXPERTS 20
- Auditor 20
- Other Experts 20

AUDIT COMMITTEE 21
- Composition of Audit Committee & Relevant Education and Experience 21
- Audit Committee Oversight 21
- Pre-Approval Policies and Procedures 21
- External Auditor Service Fees 21
- Audit Committee Charter 21

ADDITIONAL INFORMATION 25

GENERAL PROVISIONS

Date of Information

In this Annual Information Form ("**AIF**"), information is given as at December 31, 2016, unless stated otherwise.

Incorporation by Reference

The following documents are incorporated by reference into this AIF:

(a) the audited consolidated statements of financial position of Morien Resources Corp. ("**Corporation**" or "**Morien**") as at December 31, 2016 and 2015 and the audited consolidated statements of comprehensive loss, changes in equity and cash flows of the Corporation for the years ended December 31, 2016 and 2015 together with the notes thereto included in the financial statements;

(b) management's discussion and analysis of the Corporation's operations for the year ended December 31, 2016 compared with 2015; and

(c) *"Technical Report Donkin Coal Project, Cape Breton, Nova Scotia, Canada"* dated June 2011, prepared for Erdene Resource Development Corporation ("**Erdene**") by Lynn R. Partington, P.E. (Kentucky, USA), P. Eng. (Alberta, Canada), Marston & Marston Inc. ("**Marston**") (the "**Donkin Coal Technical Report**"). Pursuant to a plan of arrangement under the provisions of the *Canada Business Corporations Act*, Erdene's interest in the Donkin Coal Mine was acquired by Morien. At the request of Morien, the author re-addressed and re-dated (to November 2012) the Donkin Coal Technical Report to Morien to facilitate filing on its SEDAR profile. The effective date of June, 2011 remains in effect, and the re-dated report does not contain any new information. The re-dated Donkin Coal Technical Report was filed on SEDAR on November 9, 2012.

The documents incorporated by reference are available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com. All documents are filed under the Corporation's name.

Currency and Exchange Rates

All currency references in this AIF are in Canadian dollars unless otherwise indicated. Reference to "United States dollars" or "U.S. dollars" or the use of the symbol "US$" refer to United States dollars. The noon rate of exchange reported by the Bank of Canada for the conversion of Canadian dollars into United States dollars on February 28, 2017 was $1.00 = US$0.7548 (US$1.00 = Cdn$1.3248) and on December 31, 2016 was $1.00 = US$0.7448 (US$1.00 = Cdn$1.3426).

Caution Regarding Forward-Looking Statements

This AIF contains certain "forward-looking statements" that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements may include statements regarding exploration results and budgets, mineral reserve and resource estimates, work programs, capital expenditures, mine operating costs, production targets and timetables, future commercial production, strategic plans, market price of coal, aggregate and precious metals or other statements that are not statements of fact, whether such statements relate to the operations of the Corporation or those of the operators of properties in which the Corporation has an interest. Although the Corporation believes the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Various factors that may affect future results are discussed in or referred to in the section entitled "Risk Factors" in this AIF and include, but are not limited to, fluctuations in market prices of metals, foreign currency exchange fluctuations, risks relating to mining exploration and development including reserve estimation and costs and timing of commercial production, requirements for additional financing, political and regulatory risks, and other risks and uncertainties. Accordingly, readers should not place undue reliance on forward-looking statements.

The Corporation does not assume the obligation to revise or update these forward-looking statements after the date of this AIF, or to revise them to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

CORPORATE STRUCTURE

Morien Resources Corp. is governed by the *Canada Business Corporations Act* ("**CBCA**"). The predecessor to Morien was incorporated under the *Ontario Business Corporations Act* ("**OBCA**") on September 27, 2002, as "2016507 Ontario Ltd." Since its incorporation, the Corporation has amended its Articles of Incorporation ("**Articles**") as follows:

- On November 19, 2002, 2016507 Ontario Ltd. filed articles of amendment to change its name to "Beta Minerals Inc."
- On November 29, 2002, Beta Minerals Inc. filed articles of amendment to remove, pursuant to ss. 168(1)(n) of the OBCA, the restrictions on share transfers.
- On February 27, 2009, Beta Minerals Inc. filed articles of amendment to change its name to "Advanced Primary Minerals Corporation" ("**APM**").
- On December 10, 2009, pursuant to s. 168(1)(n) of the OBCA, APM filed Articles of Amendment to consolidate its authorized capital on the basis of 7:1.
- On July 18, 2012, APM filed Articles of Continuance and continued pursuant to the CBCA.
- On November 9, 2012, the Director under the CBCA issued a Certificate of Arrangement effecting the amalgamation of Erdene Resources Inc. ("**ERI**") and APM pursuant to a statutory plan of arrangement whereby, among other things, the amalgamated company was given the name "Morien Resources Corp." and adopted the by-laws of APM, *mutatis mutandis*.

The Corporation's registered and head office is located at 99 Wyse Road, Suite 1480, Dartmouth, Nova Scotia, Canada B3A 4S5. Morien is currently listed on the TSX Venture Exchange and its shares trade under the symbol "MOX".

Intercorporate Relationships

As of February 28, 2017, Morien owned 100% of the issued and outstanding shares of Advanced Primary Minerals USA Corp. (**"APMUSA"**), a Delaware company. APMUSA owns the Corporation's kaolin interests in the United States, approximately 1,052 acres of surface land, and is effectively a dormant company. On February 12, 2015, all of the assets and undertakings of 6531954 Canada Limited ("**6531954**") (then a wholly owned subsidiary of the Corporation) were transferred to the Corporation and 6531954 was dissolved effective February 17, 2015. 6531954 once held the Corporation's interests in (i) the Black Point Aggregate Project and (ii) the Donkin Coal Mine, which are now held by the Corporation.

GENERAL DEVELOPMENT OF THE BUSINESS

History

The following is a summary of significant transactions of the Corporation over the last three-years, followed by a chronological, three-year summary of corporate transactions and significant events of the Corporation.

Donkin Coal Mine - Nova Scotia, Canada

On August 11, 2014, the Corporation announced that it had received notice from Glencore of the intended sale of Glencore's 75% interest in the Donkin coal mine ("**Donkin**" or "**Donkin Coal Mine**"). On August 25, 2014, the Corporation waived its right of first refusal with respect to the proposed sale by Glencore, allowing Kameron Collieries, ULC ("**Kameron**"), a subsidiary of The Cline Group, LLC, ("**Cline**") to purchase Glencore's interest.

In December, 2014, the Corporation signed a binding agreement with Kameron, which was replaced by a definitive asset purchase agreement executed as of January 7, 2015 for the sale of its 25% working interest in the Donkin Coal Mine. Pursuant to the agreements, Kameron agreed to pay Morien aggregate cash consideration of $5.5 million; $2.0 million on closing, $2.0 million on or before the earlier of the sale of first domestic coal and the 2nd anniversary of closing, and $1.5 million on or before the earlier of the first export sale of coal and the 3rd anniversary of closing. Morien is also entitled to a gross production royalty of 2% on the first 500,000 tonnes of coal sales, net of certain coal handing and preparation costs, per calendar quarter and 4% on any tonnage above 500,000 per quarter, pursuant to a royalty agreement dated February 27, 2015 between the Corporation and Kameron.

At a special meeting of shareholders held February 10, 2015, the transaction with Kameron was approved. The transaction closed on February 27, 2015 and the Corporation received its first payment of $2.0 million. Morien transferred to Kameron all of its interest in Donkin and Kameron is now the operator of the Donkin Coal Mine. On February 27, 2017, the Corporation received its second milestone payment of $2.0 million.

Kameron has been actively working onsite to advance the Donkin Coal Mine. The following is a list of project development highlights:

- In Q2 2015, Kameron finished dewatering the two, 3.6 km long access tunnels to the Donkin Coal Mine's target coal seam.
- A 69 kV electrical line from the town of Glace Bay to a newly constructed electrical sub-station at the project was completed.
- Construction of a new warehouse/washhouse/office was completed in the second quarter of 2016.
- Tunnel refurbishment was completed in 2016.
- Additional underground assessment drilling was completed in 2016.
- Assembly of the initial mine fleet was completed, including two continuous miners, roof bolters, and personnel carriers.
- A 3.6 km tunnel conveyor system was installed and is operational.
- Approximately 46 full-time employees/contractors are currently working onsite and Kameron is forecasting a total of 135 full-time workers onsite at full production.
- Production from the first continuous miner is expected in Q1 2017, with a second expected in 2017.
- Construction of the coal handling, preparation and processing plant is underway and anticipated to become operational in mid-2017.

- The first dual coal section is anticipated to be operational in early 2017 with a second operational by 2018; a typical coal section consists of two continuous miners, six battery haulers, one feeder breaker, and two roof bolters.
- Kameron has cited the following as key project strengths at Donkin:
  - Coal quality – low ash, high energy thermal coal; high quality metallurgical coal (low ash, high vitrinite content, high fluidity, high crucible swell number;
  - Low mining costs – 8.1 raw tonnes per linear foot, 6.9 clean tonnes per linear foot;
  - Short truck haul to local power stations and deep water ports; and
  - Substantial resource – 483 million tonnes; 30 year expected project life (2 continuous miner sections).
- Kameron expects the washed coal quality of Donkin to be a high fluidity, high volatile metallurgical coal, with 3.5% ash, 1.5-2.0% sulphur, and 13,500+ BTU/lb.

On November 21, 2016, the Government of Canada announced a plan to phase out coal-fired power plants by 2030. The same day, the Province of Nova Scotia announced an agreement-in-principle with the federal government which will allow Nova Scotia to continue to build on the progress the province has made in reducing green house gas emissions while allowing for the province to continue to utilize coal in its energy mix beyond the 2030 closure deadline announced by the federal government.

Kameron representative Jim Bunn was quoted as saying "Minister McKenna's announcement will not affect the commencement of production at the Donkin Mine, which is expected in December 2016. Kameron Collieries has always considered the closure of Lingan and Point Aconi power stations as a distinct possibility. There are ample opportunities to export the Donkin coal to both metallurgical and thermal customers, and this can be augmented by domestic thermal demand until these local plants are forced to close."

Black Point Aggregate Project - Nova Scotia, Canada

The Black Point aggregate project (**"BP Aggregate Project"**) consists of a granite deposit along the southern shore of Chedabucto Bay in Guysborough that has suitable characteristics for the development of a crushed stone export aggregate operation for supplying markets principally in the United States and Caribbean region. Between 2007 and 2013, Morien, and previously Erdene, had been working with the Municipality of the District of Guysborough ("**MODG"**) to advance the BP Project. Morien signed a second amended and restated option agreement for the property with MODG on June 25, 2013 that provided the framework for leasing MODG-owned lands to develop the project.

On April 11, 2014 Morien entered into agreements ("**Agreements**") with Vulcan Materials Company ("**Vulcan**") and the MODG for the development of the BP Aggregate Project. Under the terms of the Agreements, Vulcan assumed Morien's interest in the BP Aggregate Project and Black Point Aggregates Inc. ("**Black Point**"), a subsidiary of Vulcan, became manager and operator of the project in exchange for milestone payments totaling $1,800,000, and a royalty stream payable on all material sold from the project over the life of the mine. The first payment of $1,000,000 was received on signing and transfer of interest to Black Point.

On April 26, 2016, the BP Aggregate Project received positive environmental assessment decisions from both federal and provincial authorities. The full decisions and related documents can be viewed at the Canadian Environmental Assessment Agency website and the Nova Scotia Environment website. On May 5, 2016, the Corporation received a $400,000 milestone payment from Vulcan following receipt of the positive provincial and federal environmental approvals. Morien is due to receive the final $400,000 milestone payment from Black Point upon the completion of related and pending permitting agreements for the BP Aggregate Project.

Land Holdings – Georgia, USA

Pursuant to a February 1, 2001 agreement, International Paper Inc. had an option to purchase 1,052 acres of land owned by APMUSA in Hancock County, Georgia for $1 per acre. In February 2016, the Corporation received confirmation from the successor to International Paper Inc. that the option expired without exercise. As a result, the Corporation is now in the process of evaluating options for the land.

Banks Island Gold Project - British Columbia, Canada

Through various corporate transactions dating from 2009 to 2011 involving Morien's predecessor companies (see Morien's 2014 AIF for more details), the Corporation acquired a 1.5% net smelter returns royalty ("**NSR**") over the marketable metal, ores, minerals and concentrates produced and shipped from a 1,987 hectare area within Banks Islands Gold Ltd.'s ("**Banks Island**") Yellow Giant gold property located 105 km south of Prince Rupert, British Columbia. Banks Island has the right to purchase 0.5% of Morien's 1.5% royalty at any time for a one-time payment of $300,000.

The Corporation began to receive royalty payments from Banks Island in the second quarter of 2014. On July 31, 2015, Banks Island suspended operations at the Yellow Giant Mine and put the mine into care and maintenance until permitting and regulatory issues at the project were resolved and sufficient working capital was obtained to re-commence operations. Unable to resolve their issues, in January 2016 Banks Island filed for bankruptcy and no further royalties are expected from the property.

Morien received a total of $153,731 from the Yellow Giant NSR while the mine operated. In light of Banks Island filing for bankruptcy, the likelihood of collecting outstanding royalties, or any future royalties, on the property is considered remote.

Three-Year Chronological Summary of Corporate Events and Transactions

April 2014	Monetized the Black Point aggregate project ("**BP Aggregate Project**") with Vulcan Materials Company ("**Vulcan**") for $1.8 million and a 50-year production royalty.
August 2014	Received the first royalty payment from Banks Island Gold Ltd. for Morien's 1.5% NSR royalty on Yellow Giant gold project in BC.
August 2014	Waived Right of First Refusal on the sale of Glencore's 75% interest in the Donkin coal mine ("**Donkin Coal Mine**") following the announcement that The Cline Group LLC was the third party buyer.
September 2014	Completed a private placement for $1.45 million at $0.20 per share.
December 2014	Kameron Collieries ULC (subsidiary of The Cline Group LLC) ("**Kameron**") acquired Glencore's 75% interest in the Donkin Coal Mine.
December 2014	Signed agreement with Kameron to exchange the Corporation's 25% working interest in the Donkin Coal Mine for $5.5 million cash and a gross production royalty of 2% to 4%.
December 2014	Completed a private placement with an affiliate of Kameron for $1 million at $0.30 per share, a 58% premium to Morien's 10-day volume weighted average.
January 2015	Received TSX-V approval to make a normal course issuer bid ("**NCIB**") and have renewed the NCIB twice (in January 2016 and January 2017).
February 2015	Shareholders of the Corporation approve the Kameron transaction, and Morien received first milestone payment of $2 million on closing of the transaction.
March 2015	Morien and Black Point Aggregates Inc. ("**Black Point**", a subsidiary of Vulcan) submitted the Environmental Impact Statement to the Canadian federal and provincial governments for the BP Aggregate Project.
May 2015	Adopted shareholder rights plan to allow sufficient time to properly consider any take-over bid made for the Corporation.
June 2015	Completed buy-back of odd-lot / small (<1,000) share holdings (327,000 Morien shares; 0.6% of shares outstanding).

February 2016	Played out land reversion strategy in Georgia resulting in retention of 1,020 surface acres.
April 2016	BP Aggregate Project receives positive environmental permitting decision; Morien receives $400,000 from Black Point.
December 2016	Purchased and cancelled 6.7 million Morien common shares (11% of total outstanding) since January 2015, as part of NCIB.

DESCRIPTION OF THE BUSINESS OF THE CORPORATION

General

Stated Business Objectives

The primary objective of Morien is to identify, purchase, explore and develop mineral interests.

Description of Mineral Properties

The Corporation converted its interests in the Black Point and Donkin projects to cash and future royalty streams. Management is actively searching for new assets for purchase, joint venture partnership, or other business arrangements including royalty or streaming opportunities.

Social and Environmental Policies

The Corporation works with communities in its project areas through programs sponsored by its project partners. For example, the former joint venture between Morien and Glencore with respect to the Donkin Coal Mine had established a strong working relationship with local stakeholders in the Donkin-Port Morien area of Cape Breton, Nova Scotia through a Community Liaison Committee ("**CLC**"). The CLC met regularly and proved to be a very effective forum for both the joint venture and the community to share information and discuss concerns. The Corporation and Glencore sold their interests in the Donkin Coal Mine to Kameron in February 2015 and December 2014, respectively.

The Corporation continues to have representation on the CLC for the BP Aggregate Project in Guysborough, Nova Scotia, and works closely with Black Point Aggregates Inc. to facilitate dialogue with the local communities as the project advances through the environmental assessment process, in advance of project development activities.

The Corporation is also the Founding Sponsor of Catapult, a non-profit camp in Nova Scotia that focuses on enhancing leadership skills in young people before they start high school. The program is geared toward teens who would not likely otherwise have the opportunity to participate in this type of leadership training.

Risk Factors

The Corporation has identified the following potentially significant inherent risks and uncertainties of its business and its present stage of development. This discussion, by its nature, is not all-inclusive. It is not a guarantee that other factors will or will not affect the Corporation in the future.

Dependence on Third Party Property Owners and Operators

The Corporation sold its working interest in the Donkin Coal Mine and the BP Aggregate Project for cash and a production royalty, and owns a royalty on the Bank Island Project, now in bankruptcy. It is not the operator of these projects. There is no assurance that the current operators, or their successors, if any, will continue with the development of the projects in a manner that is beneficial, or most beneficial, to the Corporation.

The revenue derived from the Corporation's royalty portfolio is and will be based on the activities of third party property owners and operators. These owners and operators are responsible for determining the manner in which the properties underlying the royalties are exploited, including decisions to commence, expand, continue or reduce production from a property, and decisions to advance exploration efforts and/or conduct development of non-producing properties. The Corporation will have little or no input on such matters. The interests of third party owners and operators and those of the Corporation on the relevant properties may not always be aligned. As an example, it will, in almost all cases, be in the interest of the Corporation to advance development and production on properties as rapidly as possible in order to maximize near term cash flow, while third party owners and operators may, in many cases, take a more cautious approach to development as they are at risk on the cost of development and operations. The inability of the Corporation to control the operations for the properties in which it has a royalty interest may result in a material and adverse effect on the Corporation's profitability, results of operation and financial condition.

Similarly, where the Corporation's interest in a mineral property is a royalty interest, there is a risk that the third party operator may be unable or unwilling to fulfill its obligations under its agreements with the Corporation, or experience financial, operational or other difficulties including insolvency, which could limit the third party's ability to perform its obligations under the royalty interest. The Corporation will not be entitled to any compensation if the operations shut down or the third party operators discontinue their operations on a temporary or permanent basis. At any time, any operator of a property in which the Corporation has a royalty or net profit interest may decide to suspend or discontinue operations.

Limited Access to Data and Disclosure for Royalty Portfolio

The Corporation is neither the property owner nor operator for the properties underlying its royalty portfolio, and the Corporation has no input into how the operations are conducted. Also, the Corporation has varying access to data on the operations or to the actual properties themselves. This will affect its ability to assess the value of the royalty interest or enhance the royalty's performance. This could also result in delays in cash flow from that anticipated by the Corporation based on the stage of development of the applicable properties underlying its royalty portfolio. The Corporation's royalty payments may be calculated by the royalty payers in a manner different from the Corporation's projections. The limited access to data and disclosure regarding the operations of the properties in which the Corporation has an interest may restrict the Corporation's ability to assess the value or enhance its performance, which may result in a material and adverse effect on the Corporation's profitability, results of operation and financial condition.

Exploration, Development and Mining Risks

The Donkin Coal Mine and BP Aggregate Project are not in production, and are both without a known body of commercial ore. Development of both projects will follow only if further favourable results are obtained. Until both projects reach the production stage, the Corporation will not have any significant revenue from these projects and will be dependent on milestone payments from both projects and future financings for its income. There is no guarantee that either project will ever reach the production stage.

The primary objective of Morien is to identify, purchase, explore and develop mineral interests. Resource exploration, development and operations are highly speculative and characterized by a number of significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labour are other risks involved in the operation of mines and the conduct of exploration programs. Substantial expenditures are required to establish mineral resources and mineral reserves, to develop metallurgical processes to extract the mineral resources and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining.

No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. Whether a mineral deposit will be commercially viable depends on a number of factors, including but not limited to: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; mineral prices; and government regulations, including but not limited to regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot accurately be predicted, but the combination of these factors may result in the Corporation not receiving an adequate return on invested capital.

Exposure to Mineral Price Fluctuations

The revenue derived by the Corporation from its royalty portfolio will be significantly affected by changes in the market price of the commodities that underlie those royalties, which can affect production levels to which its royalty portfolio is tied. The Corporation's revenue will be particularly sensitive to changes in the price of coal, as the revenue from coal is anticipated to represent the majority of the cash flow expected to be derived in the near future. Commodity prices, including those to which the Corporation is exposed, fluctuate on a daily basis and are affected by numerous factors beyond the control of the Corporation, including levels of supply and demand, industrial development levels, inflation and the level of interest rates. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments.

All commodities, by their nature, are subject to wide price fluctuations and future material price declines will result in a decrease in revenue or, in the case of severe declines that cause a suspension or termination of production by relevant operators, a complete cessation of revenue from royalties or working interests applicable to one or more relevant commodities. Moreover, the broader commodity market tends to be cyclical, and a general downturn in overall commodity prices could result in a significant decrease in overall revenue. Any such price decline may result in a material and adverse effect on the Corporation's profitability, results of operation, financial condition and dividend policy.

Leases, Licenses and Permits

Government approvals and permits are currently required in connection with operations at all mines and further approvals and permits will be required in the future. Mining companies must obtain and maintain a variety of licenses and permits including air quality control, water, electrical and municipal licenses. The duration and success of a company's efforts to obtain permits are contingent upon many variables outside of its control. Obtaining governmental permits may increase costs and cause delays depending on the nature of the activity to be permitted and the interpretation of applicable requirements implemented by the permitting authority. There can be no assurance that all necessary permits will be obtained and, if obtained, that the mining company will be able to maintain such permits. In the event that such approvals are required and not obtained or maintained, operations may be curtailed or the company may be prohibited from proceeding with planned development or operation of the mine, which would have an adverse impact on the Corporation's royalty revenue.

The Special Lease for the Donkin Coal Mine includes a number of conditions, including a provision that if production does not commence by May 1, 2020, the Minister of Natural Resources of Nova Scotia may review the Special Lease in accordance with section 65 of the *Mineral Resources Act* (NS).

Reserve and Resource Estimates

The National Instrument 43-101 ("**NI 43-101**") coal reserves and resources for the Donkin Coal Mine, as set forth in "Description of the Business - Mineral Projects - Donkin Coal Mine", are only estimates. No assurance can be given that the estimated coal reserves and resources will be recovered or at what rate they will be recovered.

There are currently no NI 43-101 resource or reserve estimates for the BP Aggregate Project. The resource estimate for the project is conceptual in nature and derived from internal estimates made by Morien and Vulcan.

Banks Island Gold began production without first establishing mineral reserves supported by a NI 43-101 compliant technical report and feasibility study. As a result, there has been no economic and technical viability established for the property.

Environmental and Safety Regulations and Risks

All mines and mineral exploration and development activities are subject to environmental regulations. In addition, environmental hazards may exist on a property in which the Corporation directly or indirectly holds an interest that are unknown to the Corporation at present that have been caused by previous or existing owners or operators of the property. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations which would result in environmental pollution. Any failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, which would have an adverse impact on the Corporation's royalty revenues.

Dependence on Management and Employees

Shareholders of the Corporation will rely upon the experience and expertise of the management and employees of the Corporation and of the operators or developers of the Donkin Coal Mine and the BP Aggregate Project. The success of operations at any mine depends in part on geologists, engineers, metallurgists and other personnel with specialized skill and knowledge about the mining industry. The companies in which the Corporation has a royalty interest compete with other mining companies to attract and retain key executives and skilled and experienced employees. The mining industry is labour intensive and a company's success and ability to pursue its strategic objectives depends to a significant extent on its ability to attract, hire, train and retain qualified executives and employees, including its ability to attract employees with needed skills in the area they operate.

Future Capital Requirements

The Corporation may require additional financing in order to grow and expand future projects. It is possible that required future financing will not be available or, if available, will not be available on favourable terms. If equity financing is required, such financings could result in significant dilution to existing shareholders.

Management of Growth

Any expansion of the Corporation's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Corporation will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it may experience. There can be no assurance that the Corporation will be able to manage growth successfully. Any inability of the Corporation to manage growth successfully could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Government Regulations

The mining, processing, development and mineral exploration activities of all mining companies are subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, protection of the environment and other matters. Although a company may believe that its activities are currently carried out in accordance with applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail production or development of its mines. Amendments to current laws and regulations governing mining operations and activities, or more stringent implementation thereof, could have a material adverse effect on the results of operations, including increases in exploration expenses, remedial and reclamation obligations, capital expenditures and production costs, or reduction in levels of production at these mines, all of which could affect the Corporation's royalty revenues.

Equipment Costs

Growth in global mining activities can create a demand for mining equipment and related supplies that exceeds supply. As a result, future operations could be adversely affected if the Corporation or the operators of its royalty projects or their contractors encounter difficulties obtaining equipment, tires and other supplies on a timely basis. Expansion activities, construction projects underway, production and productivity, and costs could be materially affected.

Title to Properties

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to mineral concessions may be disputed. Although the Corporation believes it has taken reasonable measures to ensure that the companies holding the properties in which it has an interest have proper title to their mines and mining properties, there is no guarantee that title to their mines and mining properties are not defective or will not be challenged, altered or impaired. Third parties may have valid claims underlying portions of the Corporation's interests, including prior unregistered liens, agreements, transfers or claims, including aboriginal land claims, and title may be affected by, among other things, undetected defects or unforeseen changes to the boundaries of the properties by governmental authorities. As a result, the companies may be constrained in their abilities to operate their mines or may be unable to enforce their rights with respect to their mines. An impairment to or defect in a mining company's title to its mine or mining properties could have an adverse effect on the Corporation's royalty interest.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Corporation and the operators of the projects in which the Corporation has an interest may decide not to take out insurance against such risks as a result of high premiums or other reasons.

Future Losses and Production Expenses

There can be no assurance that significant losses will not occur in the near future or that the Corporation will be profitable in the future. The Corporation's operating expenses and capital expenditures may increase in subsequent years as consultants, personnel and equipment associated with advancing exploration, development and, if warranted, commercial production of any properties the Corporation may acquire, are added as needed.

Competition

The international mining industry is highly competitive and the Corporation and the operators of its royalty projects will compete with other mining companies, some of which may have greater resources and experience.

Marketability

The marketability or the operation of mineral resources in which the Corporation has an interest, or which may be acquired or discovered by the Corporation, will be affected by numerous factors beyond the control of the Corporation. These factors include market fluctuations, the proximity and capacity of commodity markets and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting, and environmental protection. A combination of one or more of these factors may result in the Corporation not receiving an adequate return on invested capital.

Litigation

Legal proceedings may arise from time to time in the course of the Corporation's business. There have been a number of cases where the rights and privileges of mining and exploration companies have been the subject of litigation. Such litigation may be brought against the Corporation or the operators of projects in which the Corporation has an interest in the future from time to time or the Corporation may be subject to another form of litigation.

Limited Operating History

There is no assurance that the Corporation will earn profits in the future, or that profitability, if achieved, will be sustained. If the Corporation does not have sufficient capital to fund its operations, it may be required to forego certain business opportunities, or be subject to having its interest in existing properties diluted or lost.

Mineral Projects - Donkin Coal Mine

The following information is summarized from the Donkin Coal Technical Report, being the technical report *"Technical Report: Donkin Coal Project, Cape Breton, Nova Scotia, Canada"*, dated June 2011 prepared for Erdene (and Glencore) by Lynn Partington, P.E. (Kentucky, USA), P.Eng. (Alberta) of Marston, and has been updated where appropriate. The purpose of the Donkin Coal Technical Report, which is incorporated by reference into this AIF, was to present the results of the Pre-Feasibility Study ("**PFS**") on the Donkin Export Coking Coal Project prepared by Glencore (formerly Xstrata) and the reserves defined by the PFS. Pursuant to the Plan of Arrangement under the provisions of the *Canada Business Corporations Act*, Erdene's interest in the Donkin Coal Mine was acquired by Morien. At the request of Morien, the author, Lynn R. Partington, re-addressed the report to Morien and re-dated it to November 2012 to facilitate Morien filing the report on its SEDAR profile. The effective date of June, 2011 remains in effect, and the re-dated report does not contain any new information.

In December 2014, Glencore sold its 75% interest in the Donkin Coal Mine to Kameron Collieries LLC ("**Kameron**"), a subsidiary of The Cline Group, LLC, and amendments to the Special Lease were made as a condition precedent to the consent by the Province of Nova Scotia to the transfer. The amendments include a provision that if production does not commence by May 1, 2020, the Minister of Natural Resources of Nova Scotia may review the Special Lease in accordance with section 65 of the *Mineral Resources Act* (NS). Effective February 27, 2015, the Corporation sold its 25% voting interest in the Donkin Coal Mine to Kameron in consideration of cash and a production royalty. Kameron is now the owner and operator of the mine.

Kameron is actively preparing the Donkin Coal Mine for production and it is anticipated that some aspects of Kameron's mine plan for Donkin may differ from what Glencore forecast in its November 2012 Donkin technical report. However, it is important to note than much of the development and operation of the Mine is governed by the project's environmental approvals (see Donkin Coal Mine sub-section under the General Development of The Business section on page 4), and that many of the criteria used in the preparation of the Donkin Coal Technical Report are consistent with the stipulations of those approvals. Further, based on an update on Donkin development plans that the Corporation received from Kameron in early and mid 2016, the revised development plan is expected to be no worse than, and possibly superior to that presented by Glencore.

The Summary from the November 2012 Donkin Coal Technical Report is provided below. The report itself is incorporated herein by reference. The report was filed on November 9, 2012 and is available on the Corporation's SEDAR documents page at www.sedar.com.

Summary

This Technical Report presents the results of the Pre-Feasibility Study on the Donkin Export Coking Coal Project (PFS) and the reserves defined by the PFS prepared by Xstrata Coal Donkin Management (XCDM).

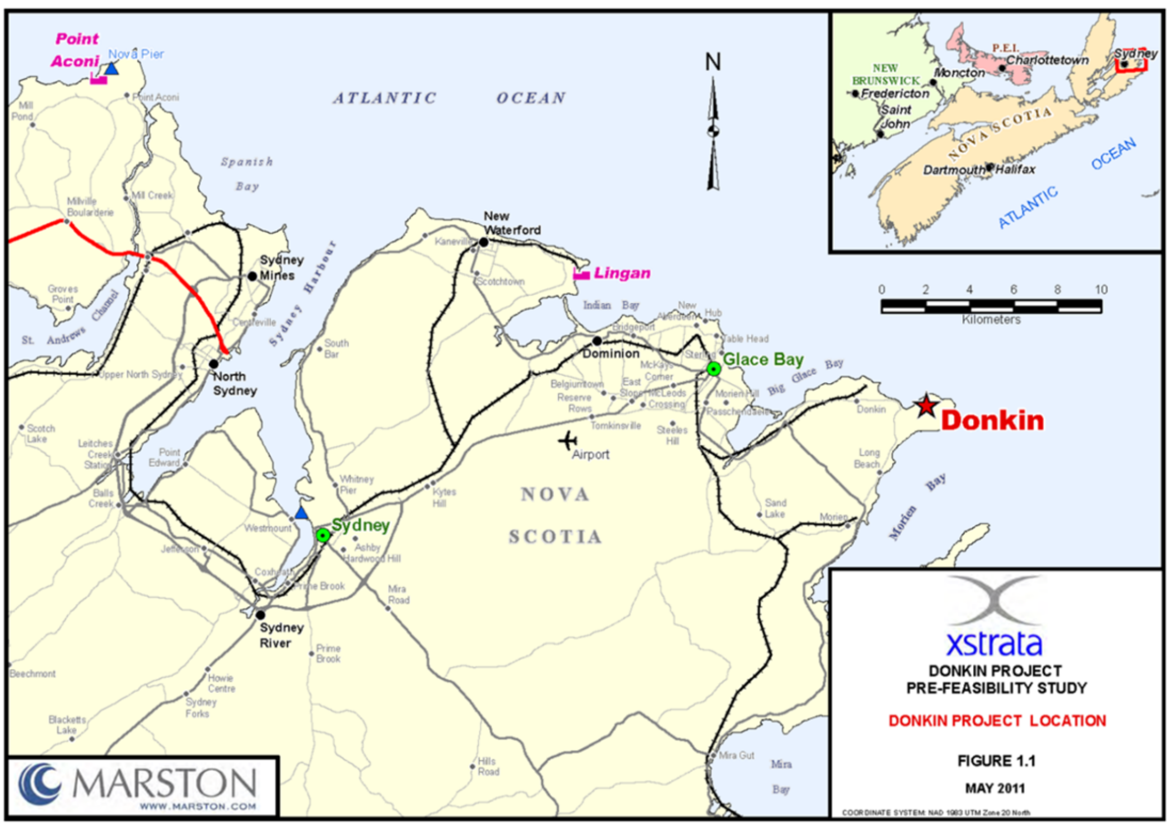
1.1 Location and Ownership - The Donkin Project is located adjacent to the town of Donkin on Cape Breton Island, Nova Scotia, Canada; see Figure 1.1, Donkin Project Location. In December 2005, the Nova Scotia Government announced that the Donkin Coal Alliance (DCA), a consortium of Xstrata Coal Pty Ltd., Kaoclay Resources Inc. (Kaoclay), American Transbridge Technologies LLC and PDC Resources Corporation, was the successful proponent for the exclusive right to explore and to develop the Donkin Resource Block. The DCA was awarded a Special License by the Nova Scotia Provincial Government in May 2006 for a period of three years to conduct exploration activities to determine the viability of developing the Donkin coal lease.

Erdene Resource Development Corporation (Erdene) acquired Kaoclay in June 2006 and Xstrata Coal Pty Ltd.'s interest in the DCA, was transferred to Xstrata Coal Donkin Limited (XCDL). In October 2006

XCDL and Erdene purchased the interests of American Transbridge Technologies LLC and PDC Resources Corporation to hold a 75% and 25% interest in the DCA, respectively. In October 2008 XCDL and Erdene executed a definitive joint venture agreement and a sales agency agreement and formed Donkin Tenements Inc. (DTI), a Nova Scotia company, to hold certain of the interests of the joint venture. XCDM, a related party to XCDL, is the project manager for the joint venture. If the Donkin Coal Project is approved to proceed to development, the project manager will be responsible for mine development, including infrastructure, coal mining and processing, and coal distribution and sales programs.

A 33-year Special Coal Lease No. 09/02 (Donkin Lease) was granted to DTI on May 1, 2009, which may be renewed for a further 20 years provided DTI is working the lease and is in compliance with applicable laws. The Special Coal Lease grants DTI exclusive rights to mine coal within the lease boundary. On January 31, 2007 DTI entered into a 5-year Coal Gas Exploration Agreement (No. 31-07-01-01), which authorized DTI to explore for coal gas in the Donkin Resource Block.

1.2 *Geology and Mining - The Donkin Coal Project area occurs within the Sydney Coalfield of Nova Scotia, a large coal basin of Carboniferous age that extends north and northeast from the northern part of Cape Breton Island under the Atlantic Ocean towards Newfoundland. The landward portion of the coalfield constitutes less than 5% of the total coal measure sequence. The first coal mine in North America was located at Cape Breton, and open cut mining and submarine underground mining have been carried out in the area for more than 150 years, until 2001 when the last underground mine (Prince Mine) was closed. Some small open cut mines are still in operation to supply the domestic market. In the past, coal from these mines has supplied local power stations with fuel stock, and a proportion of the product coal was used in a local steel making plant, which has since been dismantled. Some coal, both thermal and coking quality, has been sold into the export market. Up to 11 coal seams are recognized in the Donkin area, and three of those may have potential for eventual underground extraction: Lloyd Cove, Hub and Harbour seams (in descending stratigraphic order). The Harbour and Hub seams have been evaluated as a potential mining opportunity by this PFS.*



1.3 *Exploration - Three major exploration drilling campaigns collected core data from the Donkin area between 1977 and 1979. A two-dimensional marine seismic reflection survey was conducted in 1981. Between December 1981 and February 1987, two parallel tunnels, 50 meters (m) apart, were driven 3,500 m to intersect the Harbour Seam at a depth of 200 m below sea level (BSL). The ocean floor is about 35 m BSL at that point. In 1992 the Cape Breton Development Corporation (CBDC), a Canadian federal crown corporation, ceased development of the Donkin Coal Resource Block without ever extracting the resource, due to a number of factors including a down-turn in the global coal economy. The 3.5-kilometer (km) subsea tunnels were sealed and allowed to fill with water. After receiving the necessary regulatory approvals, XCDM breached the tunnel seals and commenced pumping water from the tunnels in late 2006 in order to reclaim access to the Harbour Seam coal face. This work is complete, and unimpeded access to the Harbour Seam is now possible.*

A 3,000-tonne bulk sample and five strip samples (T2, SS1 - SS4) were obtained from the Harbour Seam at the base of the tunnels in 1985. An intensive program of coal analysis and washability was conducted on the bulk sample. The strip samples investigated a variety of potential working sections within the Harbour Seam.

A channel sample was taken from the Miners Museum in Glace Bay in 2006 by XCDM. The Harbour Seam at this location is 1.6-m thick, significantly thinner than the thickness recorded in the east of the Donkin lease. An initial sample was tested in approximately 0.15-m plys for proximate analysis and forms of sulfur at a local Sydney, Nova Scotia laboratory. A bulk sample was taken in larger subsamples and was air-freighted to Australia and analyzed at the CCI Newcastle Laboratory, under the supervision of A&B Mylec Pty Ltd (A&B Mylec). A full range of tests was carried out, including washability analysis and clean coal tests. Additional coal was recovered and sealed in 2 x 44 gallon drums and stored in Sydney pending any further testing requirements.

An additional strip sample (DCH01) was extracted approximately 4 m from the T2 channel sample in October 2007. This sample was analyzed by ACIRL in Maitland, Australia to confirm likely coal quality at the base of the tunnel.

1.4 *Development - Other than the dewatering of the two tunnels, the coal extracted from the two tunnels and the initiation of various environmental and permitting studies, no development has taken place.*

1.5 *Studies - A Technical Report and geological model of the Donkin property were prepared by McElroy Bryan Geological Services (MBGS) for XCDM and Erdene in April 2007. The MBGS Technical Report, filed on May 14, 2007, is available for public viewing on SEDAR under the various documents that have been filed by Erdene. The report is titled, Technical Report Donkin Coal Project (April 2007). The geological model from this Technical Report provided grid information on the seam thicknesses, roof and floor elevations, and coal quality parameters of air dried ash, air dried sulfur and relative density for the PFS.*

The Donkin Project has been previously reviewed and a Technical Report released by Mr. Donald Fraser (D.M. Fraser Services Inc.) for Kaoclay in April 2006. Material in that report was utilized in the preparation of the MBGS report.

An internal Pre-Feasibility Scoping Study was prepared in May 2007, which evaluated continuous mining development and single longwall extraction of the Harbour Seam. An Independent Preliminary Assessment of the mining opportunities at Donkin was prepared in November 2007. A Pre-Feasibility Study, detailing the mining concepts of the May 2007 study, was prepared in May 2008 by XCDM. The PFS, which expanded on the continuous miner (CM) option of the May 2008 study, was prepared in May 2010. The CM option prepared in May 2010 was modified to incorporate the Hub Seam, was completed March 2011, and is the subject of this Technical Report.

1.6 Conclusions – The following conclusions are based on the PFS and this Technical Report.

- *The Donkin in Project Harbour Seam can be reasonably accessed through the two existing tunnels once the tunnels are rehabilitated. The Hub Seam can be accessed from two slopes proposed to be driven between the Harbour and Hub seams.*
- *The room-and-pillar mining method utilizing "place change" CMs is a reasonable and cost effective method of extracting the resource. The mine plan can be easily modified to take advantage of longwall mining if the mining conditions are suitable and the coal market will support the increased production.*
- *The first 20 years of mining in the room-and-pillar mine plan presented in this Technical Report are located within the Indicated resource boundary of the MBGS Technical Report. The mine plan shows the extension into Inferred resource areas once additional coal thickness, coal quality and geotechnical data are acquired. This additional data can and should be acquired during mining. The project economics are based on Indicated reserves only.*
- *Methane management/ventilation will be critical to successfully mining both the Harbour and Hub seams.*
- *Other than at the base of the two tunnels, additional off-shore drilling exploration data (other than indirect data) will probably not be obtained. The reasons include the high cost of drilling in an ocean environment and any drill hole that penetrates the coal seams sterilizes the resources adjacent to the drill hole and significantly impacts potential mine plans. Based on the mine plan, the mining extractable coal reserves within the Indicated resource are summarized in the following table.*

Seam	***Indicated Insitu Resource tonne (Mt)***	***Probable[1] Mineable Reserve tonne (Mt)***	***Probable[2] Saleable Reserve tonne (Mt)***
Hub	***73***	***28***	***23***
Harbour	***101***	***30***	***25***
Total	***174***	***58***	***48***

[1] Extracted run-of-mine tonnes
[2] Tonnes after coal preparation

- *Approximately 75% of the coal is being targeted at the international metallurgical coal market and 25% at the domestic and export thermal coal markets. Metallurgical coal quality advantages include low ash, low phosphorus, and high crucible swell number (CSN) and fluidity. Quality limitations include high sulfur and iron in the ash (from pyrite and contributes to high reactivity). High calorific value and location relative to local markets are the primary thermal coal advantages while sulfur and iron in the ash are the primary disadvantages.*
- *Hub Seam metallurgical and thermal coal quality data is limited and not considered sufficient for coal quality representation to potential customers.*
- *Production based on the mine plan is estimated at 3.5 million tonnes per annum (Mtpa) run-of-mine (ROM) and 2.75 Mtpa clean saleable.*
- *The capital investment for the project ranges from approximately CDN$550M to CDN$497M and includes mine access, mine equipment, coal processing, ancillary facilities, transportation to a port facility, a 20 % contingency factor and CDN$94.211 for a Feasibility Study. The reason for the range in capital is that both rail and marine transportation options are still being considered although the lower capital investment cost marine option is preferred.*
- *The regulatory and community environment are supportive of the Donkin Project.*
- *The economic analysis for the preferred marine option generates a net present value (NPV) of CDN$1,060M at an 8% discount rate and an internal rate of return (IRR) of 36.0%.*

1.7 Recommendations – The following recommendations are based on the PFS and this Technical Report.

- *XCDM should proceed with the preparation of the Donkin Project Feasibility Study including the exploration phase.*
- *Customers in the identified market regions should be contacted, provided detailed coal quality specifications for the Harbour Seam and the limited data for the Hub Seam coal, and queried as to reasonable sales volumes.*
- *Continuation of the work on the plans and licenses necessary to start construction and to operate the mine.*
- *Implementation of the exploration plan to facilitate data acquisition and analysis.*

DIVIDENDS

The Corporation has not paid any dividends to date on its common shares. There are no restrictions that could prevent the Corporation from paying dividends. Any decision to pay dividends on its shares will be made by the Corporation's board of directors on the basis of the Corporation's earnings, financial requirements and other conditions existing at such future time.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Corporation has an unlimited number of authorized common shares. As of February 28, 2016, it has 52,986,614 common shares issued and outstanding. All shares in the capital of the Corporation are of the same class and each carries the right to one vote.

Stock Options

As of February 28, 2016, the Corporation had 5,202,500 options outstanding under its incentive stock option plan, all of which are exercisable. Each option is exercisable for one common share of the Corporation.

Normal Course Issuer Bid

During 2016, the Corporation’s normal course issuer bid (“NCIB”) purchased and cancelled a total of 2,414,000 common shares at an average price of $0.30 per share. During 2015, the NCIB purchased and cancelled 4,261,000 at an average price of $0.23 per share.

On January 24, 2017, the Corporation received approval from the TSXV make a new NCIB. The Corporation may purchase up to 1,059,700 common shares (approximately two percent (2%) of its outstanding common shares) in a thirty day period, up to 4,235,000 common shares (approximately ten percent (10%) of Morien’s outstanding public float) before January 31, 2018.

MARKET FOR SECURITIES

The Corporation’s shares trade on the TSX Venture Exchange under the symbol "MOX". The monthly price ranges and volume of the common shares for the financial year ended December 31, 2016, are as follows:

	High	Low	Volume
January, 2016	0.23	0.19	649,400
February, 2016	0.27	0.23	1,092,900
March, 2016	0.27	0.23	501,200
April, 2016	0.31	0.25	1,018,900
May, 2016	0.30	0.27	1,310,900
June, 2016	0.34	0.28	867,800
July, 2016	0.31	0.28	274,600
August, 2016	0.32	0.28	1,202,400
September, 2016	0.38	0.29	575,700
October, 2016	0.45	0.35	344,600
November, 2016	0.48	0.36	1,453,300
December, 2016	0.40	0.38	666,800

DIRECTORS AND OFFICERS

The management of the Corporation consists of five directors and two executive officers. The term of office of each director is until the next annual meeting of shareholders of the Corporation or until the position is otherwise vacated. The table below provides the names and related information concerning each director and executive officer of the Corporation.

Name, Province and Country of Residence	Principal Occupation(1)	Position(s) with the Corporation	Director/Officer Since
John P. A. Budreski British Columbia, Canada	President and CEO of Morien Resources Corp.; Executive Chairman of EnWave Corporation	President, Chief Executive Officer and Director	November 9, 2012
Peter C. Akerley Nova Scotia, Canada	President and CEO, Erdene Resource Development Corp.	Chair of the Board	November 9, 2012
John P. Byrne(2) Ontario, Canada	President, Petroleum Corporation of Canada Exploration Ltd.	Director	November 9, 2012
Charles G. Pitcher(2) Bobcaygeon, Ontario	President- The Mining House Inc. providing mines engineering & management services	Director	July 9, 2012 (date of appointment as a director of APM)
J. William (Bill) Ritchie(2) Nova Scotia, Canada	Retired Nova Scotia businessman. Currently chairman and director of SimplyCast Interactive Marketing Ltd.	Director	January 27, 2016
Michael O'Keefe Nova Scotia, Canada	CFO of Morien Resources Corp.	Chief Financial Officer	July 1, 2016

Notes:
(1) See biographical summaries below for descriptions of the occupations of the above noted individuals within the past five years and for prior periods.
(2) Member of the Audit Committee.

As of February 28, 2017, all directors and executive officers of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over 4,543,871 Common Shares of the Corporation, representing 10.1% of the Corporation's outstanding Common Shares.

John P.A. Budreski – Mr. Budreski was formerly a Vice Chairman of Cormark Securities Inc. and prior to that, President and CEO of Orion Securities Inc. which was sold to Macquarie Group in 2007. He has over 25 years of broad experience in the resource and resource financing industries. Mr. Budreski has a Bachelor of Engineering from Dalhousie/TUNS University in Halifax, Nova Scotia and an MBA from the University of Calgary, Alberta. Mr. Budreski is also a director and Executive Chairman of EnWave Corporation, and a director of Sandstorm Gold Ltd., and Alaris Royalty Corp.

Peter C. Akerley – Mr. Akerley has been the president, chief executive officer and a director of Erdene Resource Development Corporation (TSX) since March 2003. He has over 25 years of experience in mineral exploration, corporate financing, project development and management of publicly listed resource companies. Mr. Akerley is a geologist who previously provided corporate development, exploration and managerial services for projects in Canada, Guyana, Mexico, the Philippines, the United States of America and Mongolia to junior and senior exploration and mining companies. Mr. Akerley has a BSc (1988) from Saint Mary's University in Halifax.

John P. Byrne – Mr. Byrne has more than 30 years of investment banking and corporate finance experience. He is President of Petroleum Corporation of Canada Exploration Limited ("Petrex"), an oil and gas exploration and development company, and has held that position since 1976. Petrex helped establish and finance Enerplus Energy Services Limited for which Mr. Byrne served as Vice-Chairman (1986-2000). He was a director of FW Omnimedia (2000-2004). He also served in senior executive roles with Levesque Beaubien Geoffrion Inc. (now National Bank Financial), A.E. Ames & Company Ltd./Dominion Securities Ames Ltd. and The First Boston Corporation. Mr. Byrne graduated from McGill University with a BA and from the University of Toronto Law School with a LLB. He is also a Chartered Financial Analyst. Mr. Byrne is also a director of Erdene Resource Development Corporation (TSX).

Charles G. Pitcher – Mr. Pitcher has over four decades of experience in civil and mining operations, engineering, project development and mines management. He has provided his consulting services through The Mining House Inc since 1985. In 2012 he was President and Chief Operating Officer of Wilson Creek Coal LLP in Pennsylvania. From 2002 to 2004 he served in the offices of President and Chief Executive Officer and Chief Operations Officer of Western Canadian Coal Corp., a producer of high quality metallurgical coal, and continued as a director until 2010. He has been a director of Morien since July 9, 2012. Mr. Pitcher holds a B.Sc. Mining Engineering degree (1979) from the Colorado School of Mines and is a member of the Professional Engineers of Ontario and the Canadian Institute of Mining & Metallurgy.

J. William (Bill) Ritchie – Mr. Ritchie's distinguished career includes having been chair and CEO of Scotia Bond Ltd., as well as being one of the founders of Keltic Savings Corporation Limited. Over the years, Mr. Ritchie has served on boards of companies including Empire Company Ltd., Sobeys Inc., Keltic Inc., DHX Media Ltd., King Insurance and e-Academy Inc. Mr. Ritchie is currently chairman and director of SimplyCast Interactive Marketing Ltd., and a director of Kivuto Solutions Inc., and Watts Wind Inc. His important contributions to the local business community were recognized when he was inducted into the Nova Scotia Business Hall of Fame in June 2010. Mr. Ritchie holds a BSc from McGill University in Montreal.

Michael A. O'Keefe – Mr. O'Keefe has been Chief Financial Officer ("CFO") of Morien Resources Corp since July 1, 2016. Prior to being appointed CFO, Mr. O'Keefe was Director of Finance of the Corporation. Mr. O'Keefe is also Director of Finance of Erdene Resource Development Corp. (TSX:ERD), independent director of Nova Leap Health Corp. (TSXV:NLH) and has worked in varied senior finance positions with both public and private companies over more than 20 years. Mr. O'Keefe is also a director of two other private corporations.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

To the knowledge of the Corporation:

(a) no director or executive officer of the Corporation is, or within ten years prior to the date of this annual information form has been, a director, chief executive officer of chief financial officer of any company (including the Corporation) that:

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; and

(b) no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation:

(i) is, or within ten years prior to the date of this annual information form has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(ii) has, within ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder, other than John P.A. Budreski, who was a director of EarthFirst Canada Inc. (**"EarthFirst"**) until March 2, 2010. EarthFirst was engaged in the development of wind power and related generation facilities, when it obtained creditor protection under the *Companies' Creditors Arrangement Act* (Canada) (the **"CCAA"**) on November 4, 2008. The CCAA process has been completed and Earthfirst amalgamated with another entity and no longer exists as a separate entity. In addition, Mr. Budreski became a director of Colossus Minerals Inc. (**"Colossus"**) in late March of 2015 pursuant to the terms of, and upon the completion of, a Court supervised restructuring. Prior to Mr. Budreski joining the Board of Colossus, Colossus had failed to file its requisite disclosure materials with the applicable regulatory bodies and, on April 29, 2015, the Ontario Securities Commission issued a cease trade order against Colossus. As of the date hereof, the cease trade order remains in effect.

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, 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 investor in making an investment decision.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer, or principal shareholder of the Corporation and no associate or affiliate of the foregoing have had a material interest, direct or indirect, in any transaction in which the Corporation has participated within the three most recently completed financial years or during the current financial year, which has materially affected or will materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the common shares of the Corporation is Computershare Investor Services Inc. at its offices in Halifax, Nova Scotia and Toronto, Ontario.

MATERIAL CONTRACTS

The only contracts entered into by the Corporation, other than a contract entered into in the ordinary course of business, that are material to the Corporation and that were entered into within the most recently completed financial year, or before the last financial year but is still in effect, are as follows:

(a) Services Agreement dated November 1, 2012 between Erdene Resource Development Corporation and Morien Resources Corp. whereby Erdene provides Morien with office space and management, technical, administrative and advisory services on the terms set out in the agreement, as amended.

(b) Asset Purchase Agreement dated January 7, 2015, as amended February 27, 2015, and Royalty Agreement dated February 27, 2015, both with Kameron Collieries ULC, whereby the Corporation exchanged its 25% working interest in the Donkin Coal Mine for cash and a production royalty. See "General Development of the business – History – Donkin Coal Mine - Nova Scotia, Canada".

(c) Consent, Assignment and Novation Agreement with the Municipality of the District of Guysborough, Vulcan Materials Company and Black Point Aggregates Incorporated dated April 11, 2014 and Compensation Agreement dated April 11, 2014 with Vulcan Materials Company and Black Point Aggregates Incorporated, whereby Black Point Aggregates Incorporated assumed Morien's interest in the Black Point aggregate project and became manager and operator of the project in exchange for milestone payments totaling $1,800,000, and a royalty stream payable on all material sold from the project over the life of the mine. See "General Development of the business – History – Black Point Aggregate Project - Nova Scotia, Canada".

(d) A shareholder rights plan agreement with Computershare Investor Services Inc., as rights agent, dated May 5, 2016 ("**Rights Plan**"). The Rights Plan was adopted to ensure the fair treatment of Shareholders in connection with any take-over offer for the Corporation and is not intended to prevent take-over bids that treat Shareholders fairly. The Rights Plan will also provide the Board with more time to fully consider any unsolicited take-over bid and to pursue, if appropriate, other alternatives to maximize shareholder value in the event of a take-over bid. The Rights Plan has not been adopted in response to any proposal to acquire control of the Corporation. Under the Rights Plan, those bids that meet certain requirements intended to protect the interests of all Shareholders are deemed to be "Permitted Bids". Permitted Bids must be made by way of a take-over circular prepared in compliance with applicable securities laws and, among other conditions, must remain open for sixty days. In the event a take-over bid does not meet the Permitted Bid requirements of the Rights Plan, the rights will entitle Shareholders, other than any Shareholder or Shareholders making the take-over bid, to purchase additional Common Shares of the Corporation at a substantial discount to the market value at the time. The Rights Plan was approved by the Shareholders at the Corporation's Annual and Special Meeting of Shareholders on June 4, 2015. A copy of the Rights Plan has been filed by the Corporation on SEDAR at www.sedar.com.

INTERESTS OF EXPERTS

Auditor

The auditor of the Corporation is KPMG LLP, Chartered Accountants, Halifax, Nova Scotia. The Corporation's annual consolidated financial statements for the year ended December 31, 2016, filed under National Instrument 51-102, contain the auditor's report prepared by KPMG LLP. KPMG LLP has confirmed to the Corporation that it is independent of the Corporation within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia.

Other Experts

The Donkin Coal Technical Report was prepared by Lynn R. Partington, P.E. (Kentucky, USA), P.Eng. (Alberta, Canada). Mr. Partington was a "qualified person" as that term is defined in NI 43-101. He is also independent of the Corporation. Mr. Partington did not have any interest, direct or indirect, in any securities or other properties of the Corporation or its associates or affiliates at the time he prepared the Donkin Coal Technical Report. In addition, no such securities or properties were received or are to be received from the Corporation by Mr. Partington.

AUDIT COMMITTEE

Composition of Audit Committee & Relevant Education and Experience

The members of the Audit Committee are John P. Byrne (Chair), Charles G. Pitcher and J. William (Bill) Ritchie. Each of the foregoing is independent and financially literate within the meaning of Multilateral Instrument 52-110. The education and experience of each Audit Committee member are described in this AIF under the section entitled "Directors and Officers".

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation's external auditor not been adopted by the board of directors.

Pre-Approval Policies and Procedures

In February 2009, the Audit Committee adopted the following schedule of pre-approved fees to KPMG LLP for non-audit services:

Fee Amount	Authorization Required
Up to $7,000	Chief Financial Officer
$7,001 – 10,000	Chairman of the Audit Committee
+ $10,000	Audit Committee

External Auditor Service Fees

The fees charged to the Corporation by its external auditor in each of the last two financial years are as follows:

	Financial Year 2016	**Financial Year 2015**
Audit Fees	$39,650	$48,250
Tax Compliance	$7,000	$9,500
Other tax fees	Nil	$12,500
All Other Fees	Nil	Nil

Audit Committee Charter

1.0 PURPOSE

The Audit Committee ("**Committee**") is a standing committee of the board of directors ("**Board**") of Morien Resources Corp. ("**Corporation**") charged with assisting the Board in fulfilling its responsibility to the shareholders and investment community. The Committee's role is to:

(a) serve as an independent and objective party to oversee the Corporation's accounting and financial reporting processes, internal control system and audits of its financial statements;

(b) review and appraise the audit efforts of the Corporation 's external auditor; and

(c) provide an open avenue of communication among the independent auditor, financial and senior management and the Board.

2.0 COMMITTEE MEMBERSHIP

2.1 The Board shall annually appoint a minimum of three (3) directors to the Committee, the majority of whom shall be independent of management and free from any material relationship which, in the opinion of the Board, would interfere with the director's exercise of independent judgment as a member of the Committee.

2.2 All members of the Committee must be financially literate or, if not financially literate at the time of their appointments, must become so within a reasonable period of time following their appointments.

2.3 Members of the Committee shall be appointed at the first meeting of the Board held following the annual general meeting of the Corporation.

2.4 Any member may resign from the Committee and may be removed and replaced by the Board at any time. A Committee member may resign by providing notice in writing or by electronic transmission to the Corporation's secretary. Such resignation shall take effect upon receipt thereof or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

2.5 A member of the Committee will automatically cease to be a member at such time as that individual ceases to be a director of the Corporation.

3.0 CHAIR OF THE COMMITTEE

3.1 The Board shall in each year appoint a chair of the Committee ("**Chair**") from among the members of the Committee. In the Chair's absence, or if the position is vacant, the Committee may select another member to act as interim Chair.

3.2 The Chair shall have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and shall, in any event, advise all other members of any decisions made or powers exercised as soon as practicable thereafter.

3.3 The Chair shall be responsible to:

(a) ensure the Committee meets regularly and performs its duties as set out herein; and

(b) report to the Board on the activities of the Committee.

4.0 RESPONSIBILITIES

4.1 The Committee is responsible to:

(a) make recommendations to the Board regarding the selection and compensation of the external auditor to be engaged to prepare or issue an auditor's report or perform other audit, review or attest services for the Corporation who shall report directly to the Committee. The external auditor shall be accountable to the Board and the Committee;

(b) obtain and review a report from the external auditor at least annually regarding:

(i) the external auditor's internal quality-control procedures;

(ii) any material issues raised by the most recent internal quality-control review, or peer review, of the external audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;

(iii) any steps taken to deal with any such issues; and

(iv) all relationships between the external auditor and the Corporation including non-audit services,

(c) evaluate the qualifications, performance and independence of the external auditor, including considering whether the external auditor's quality controls are adequate and whether the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors, if any, and to present its conclusions with respect to the external auditor to the Board;

(d) satisfy itself of the rotation of the audit partners as required by law and consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the external auditing firm on a regular basis;

(e) meet with the external auditor and financial management of the Corporation to review and approve the scope of the proposed audit for the current year and the audit procedures to be used;

(f) oversee the work of the external auditor engaged to prepare or issue an auditor's report or perform other audit, review or attest services for the Corporation, including the resolution of any disagreements between management and the external auditor regarding financial reporting;

(g) pre-approve all non-audit services to be provided to the Corporation or any of its subsidiaries by the Corporation's external auditor;

(h) recommend to the Board the compensation of the independent auditor;

(i) review with management and, where appropriate, the external auditor:

(i) the Corporation's interim and annual audited financial statements and footnotes, management's discussion and analysis and any annual or interim financial news releases before the Corporation publicly discloses this information;

(ii) any significant changes required in the external auditor's audit plan and any serious difficulties or disputes with management encountered during the course of the audit; and

(iii) other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards;

(j) satisfy itself that the Corporation's interim and annual audited financial statements are fairly presented in accordance with applicable Canadian generally accepted accounting principles and recommend to the Board whether the annual financial statements should be approved and included in the Corporation 's annual report;

(k) review with the external auditor and management the quality of the Corporation's accounting principles as applied in its financial reporting process and any proposed changes in accounting principles;

(l) satisfy itself that the Corporation has implemented appropriate systems of internal control over accounting, financial reporting and the safeguarding of the Company's assets and other "risk management" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting the Corporation's assets, management and financial and business operations and that these are operating effectively;

(m) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters and for the confidential, anonymous submission by the Corporation's employees of concerns regarding questionable accounting or auditing matters;

(n) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation; and

(o) perform any other activities consistent with this charter, the Corporation's By-Laws and governing law, as the Committee or the Board deems necessary or appropriate.

4.2 The Committee may delegate to one or more members the authority to pre-approve non-audit services in satisfaction of Section 4.1(g) above, provided that the pre-approval by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

5.0 MEETINGS

5.1 The Committee shall meet often as it deems necessary to carry out its responsibilities but not less frequently than quarterly.

5.2 No business shall be transacted by the Committee unless a quorum of the Committee is present or the business is transacted by resolution in writing signed by all members of the Committee. A majority of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.

5.3 The Chairman will appoint a secretary ("**Secretary**") who will keep minutes of all meetings. The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.

5.4 The time and place of meetings of the Committee, and the procedure in all respects of such meetings, shall be determined by the Committee, unless otherwise provided for in the By-Laws of the Corporation or otherwise determined by resolution of the Board.

5.5 Meetings may be held in person, by teleconferencing or by videoconferencing.

5.6 Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.

5.7 The approved minutes of the Committee meetings shall be circulated to the Board forthwith and shall be duly entered in the books of the Corporation.

6.0 ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS

6.1 The Committee shall have full, free and unrestricted access to management and employees and to the relevant books and records of the Corporation.

6.2 The Committee may invite such other persons (e.g., the CEO, CFO, Controller) to its meetings, as it deems necessary.

6.3 The Committee shall have the authority to:

(a) retain independent accounting or other relevant advisors as it may deem necessary or appropriate to allow it to discharge its responsibilities; and

(b) set and pay the compensation of any such advisors, at the expense of the Corporation.

6.4 Any advisors retained shall report directly to the Committee.

7.0 REPORTING REQUIREMENTS

7.1 The Committee shall make regular reports to the Board, through the Chair, following meetings of the Committee.

8.0 ANNUAL REVIEW AND ASSESSMENT

8.1 The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

8.2 The Committee shall review its own performance annually

9.0 REMUNERATION

9.1 The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. In particular, the Corporation's most recent Management Information Circular located on SEDAR contains additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans. Additional financial information is provided in the Corporation's audited consolidated annual financial statements and management's discussion and analysis ("**MD&A**") for the financial year ended December 31, 2016, both of which are also available on SEDAR.