

**LAMAUNE IRON INC.**  
**Suite 1, 555 Central Avenue, Thunder Bay, Ontario P7B 5R5, Canada**

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION  
TO BE HELD ON OCTOBER 11, 2017**

**NOTICE IS HEREBY GIVEN THAT** a special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of **LAMAUNE IRON INC.** (the "**Corporation**") will be held at 26 Mount Row, London, W1K 3SQ on October 11, 2017 at the hour of 9 o'clock in the forenoon (GMT) for the following purposes:

1. To consider and, if deemed appropriate, to pass, with or without variation, resolutions of the Shareholders (attached as **Schedule "A"** to the accompanying information circular) approving entering into a debt settlement agreement and release with Landore Resources Canada Inc. ("**Landore Canada**"), pursuant to which the Corporation will issue to Landore Canada 576,192,087 common shares in the capital of the Corporation, which shares shall, following such issuance, constitute approximately 90% of the issued and outstanding common shares in the capital of the Corporation, in full payment and settlement of all amounts outstanding pursuant to the loan documents between the Corporation and Landore Canada, all as more particularly described in the accompanying information circular; and
2. To transact such further or other business as may properly come before the Meeting and any adjournment(s) thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice. Also accompanying this notice is a form of proxy. Any adjournment(s) of the Meeting will be held at a time and place to be specified at the Meeting. Only Shareholders of record at the close of business September 8, 2017 are entitled to receive notice of and vote at the Meeting and any adjournment(s) or postponement(s) thereof.

**If you are a registered shareholder** of the Corporation and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to Computershare Investor Services Inc., the registrar and transfer agent of the Corporation, at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, Canada M5J 2Y1 by no later than 9:00 a.m. (GMT) on October 9, 2017.

**If you are not a registered shareholder** of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

**DATED** September 12, 2017.

BY ORDER OF THE BOARD OF DIRECTORS OF  
**LAMAUNE IRON INC.**

*"Richard Prickett"*

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**RICHARD PRICKETT**  
Director

**LAMAUNE IRON INC.**  
*Suite 1, 555 Central Avenue, Thunder Bay, Ontario P7B 5R5, Canada*

**MANAGEMENT INFORMATION CIRCULAR  
SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR ("CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF LAMAUNE IRON INC. (THE "CORPORATION") FOR USE AT A SPECIAL MEETING (THE "MEETING") OF SHAREHOLDERS (THE "SHAREHOLDERS") OF THE CORPORATION TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE ATTACHED NOTICE (THE "NOTICE") OF THE MEETING.**

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or personal interview by regular employees of the Corporation, or by other proxy solicitation services retained by the Corporation. The costs thereof will be borne by the Corporation.

Unless otherwise specified, information contained in this Circular is given as of September 8, 2017 (the "**Record Date**").

**APPOINTMENT, REVOCATION AND DEPOSIT OF PROXIES**

The persons named in the enclosed instrument of proxy are officers and directors of the Corporation who have been selected by the directors of the Corporation and have indicated their willingness to represent as proxies the Shareholders who appoint them.

**A SHAREHOLDER HAS THE RIGHT TO DESIGNATE OR APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM AND ON HIS BEHALF AT THE MEETING OTHER THAN THE PERSONS DESIGNATED IN THE ENCLOSED INSTRUMENT OF PROXY.**

Such right may be exercised by striking out the names of the two persons designated in the instrument of proxy and by inserting in the blank space provided for that purpose the name of the desired person or company or by completing another proper instrument of proxy and, in either case, depositing the completed and executed proxy with the registrar and transfer agent of the Corporation, Computershare Investor Services Inc. at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 by no later than 9:00 a.m. (GMT) on October 9, 2017.

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The shares represented by the proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the proxy.

A Shareholder who has given a proxy may revoke it at any time in so far as it has not been exercised. A proxy may be revoked, as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy, by instrument in writing executed by the Shareholder or by his attorney authorized in writing or, if the Shareholder is a body corporate, by a duly authorized officer, attorney or representative thereof and deposited with the registrar and transfer agent of the Corporation, Computershare Investor Services Inc. at 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1 by no later than 9:00 a.m. (GMT) on October 9, 2017, at the registered office of the Corporation at any time prior to 5:00 p.m. (Toronto time) on the last business day preceding the day of the Meeting or any adjournment(s) thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) thereof, and upon any of such deposits the proxy is revoked. A proxy may also be revoked in any other manner permitted by law. The Corporation's registered office is located at Suite 1, 555 Central Avenue, Thunder Bay, Ontario P7B 5R5.

## MANNER OF VOTING AND EXERCISE OF DISCRETION BY PROXIES

The persons named in the enclosed instrument of proxy will vote or withhold from voting the common shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them and if the Shareholder specifies a choice with respect to any matter to be acted upon, the common shares shall be voted accordingly.

**WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR EACH OF THE MATTERS IDENTIFIED IN THE NOTICE AND DESCRIBED IN THIS CIRCULAR. THE ENCLOSED FORM OF PROXY ALSO CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE WITH RESPECT TO ANY AMENDMENTS OR VARIATIONS TO THE MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING IN SUCH MANNER AS SUCH NOMINEE IN HIS JUDGMENT MAY DETERMINE. AS OF THE DATE OF THIS CIRCULAR, MANAGEMENT OF THE CORPORATION KNOWS OF NO SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS TO COME BEFORE THE MEETING OTHER THAN THE MATTERS REFERRED TO IN THE NOTICE.**

### ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders who do not hold their shares in their own name ("**Beneficial Shareholders**") are advised that only Shareholders whose names appear on the records of the Corporation as the registered holders of shares or duly appointed proxyholders can be recognized and permitted to vote at the Meeting. Most Shareholders of the Corporation are "**non-registered**" shareholders because the shares they own are not registered in their names but instead are registered in the name of a nominee, such as a brokerage firm through which they purchased the shares, a bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans, or a clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely an unregistered holder. In accordance with securities regulatory policy, the Corporation has distributed copies of the Meeting materials, being the Notice, this Circular and the form of proxy, to all Nominees for distribution to non-registered holders.

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators requires Nominees to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order to ensure that your shares are voted at the Meeting. The form of proxy supplied to a non-registered holder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the non-registered holder.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Corporation to forward Meeting materials directly to "**non objecting beneficial owners**". If the Corporation or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding such securities on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Nominee holding such securities on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions.

All references to shareholders in this Circular and the accompanying instrument of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

## APPROVAL OF MATTERS

Unless otherwise noted, approval of matters to be placed before the Meeting is by an "**ordinary resolution**", which is a resolution passed by a simple majority (50% plus 1) of the votes cast by Shareholders of the Corporation entitled to vote and present in person or represented by proxy.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of common shares of which, as of the date of this Circular, an aggregate of 64,021,343 common shares of the Corporation are issued and outstanding. Each common share entitles the holder thereof to one vote at all meetings of Shareholders of the Corporation.

All holders of common shares of the Corporation of record at the close of business on the Record Date will be entitled either to attend and vote at the Meeting in person the shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation as described above, to attend and vote thereat by proxy the shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying ten percent (10%) or more of the voting rights attached to any class of voting securities of the Corporation.

## DEBT SETTLEMENT AGREEMENT AND RELEASE WITH LANDORE CANADA

### *The Debt Settlement Agreement and Release*

The Corporation proposes entering into a debt settlement agreement and release (the "**Settlement Agreement**") with Landore Canada, pursuant to which the Corporation will issue to Landore Canada 576,192,087 common shares in the capital of the Corporation (the "**Settlement Shares**"), which shares shall, following such issuance, constitute approximately 90% of the issued and outstanding common shares in the capital of the Corporation, in full payment and settlement of all amounts outstanding pursuant to the Loan Documents (as defined below). The Settlement Agreement also contains provisions releasing each of the Corporation and Landore Canada from any and all obligations relating to the matters set forth in the Settlement Agreement, including the Loan Documents, following issuance of the Settlement Shares by the Corporation to Landore Canada. A draft copy of the Settlement Agreement is attached as **Appendix "I"** to **Schedule "A"** hereto.

It is expected that, following issuance of the Settlement Shares to Landore Canada and including the shares currently held by Landore Canada, the Corporation will be a 90.2 % owned subsidiary of Landore Canada and current Shareholders of the Corporation will hold, in the aggregate, 9.8% of the issued and outstanding common shares in the capital of the Corporation.

Ordinary resolutions of the Shareholders approving the Settlement Agreement and the matters set forth therein, including, amongst other things, the issuance of the Settlement Shares to Landore Canada by the Corporation, substantially in the form attached hereto as **Schedule "A"**, will be presented to Shareholders at the Meeting for their consideration and approval.

### *Background*

Landore Canada is a corporation incorporated in the Province of Ontario, Canada under company number 1500361, with its registered office at 555 Central Avenue, Suite 1, Thunder Bay, Ontario, Canada P7B 5R5. Landore Canada is a wholly-owned subsidiary of Landore Resources Limited ("**Landore**"), a company limited by shares incorporated and registered in Guernsey under company number 42821, with its registered office at La Tonnelle House, Les Banques, St. Sampson, Guernsey GY1 3HS. Landore is an AIM listed (LND.L) holding company for Landore Canada.

In June 2011, Landore demerged certain of its mining claims and assets relating to the Lamaune iron ore and gold deposits (the "**Lamaune Assets**") by means of a distribution *in specie* of the entire issued share capital of the Corporation to the then current shareholders of Landore and the transfer of the Lamaune Assets to the Corporation from Landore Canada (the "**Original Transaction**"). Prior to effecting the Original Transaction, the Corporation,

which had been formed specifically for purposes of the Original Transaction, was a wholly-owned subsidiary of Landore.

The purchase price for the transfer of the Lamaune Assets to the Corporation was CDN\$6,200,000, which was satisfied by the issuance of a promissory note by the Corporation, as replaced effective as of August 29, 2012 and April 30, 2014 (the "**Promissory Note**"), and secured by a loan agreement, as amended effective as of August 29, 2012 (the "**Loan Agreement**"), and security agreement (the "**Security Agreement**") between the Corporation and Landore Canada (collectively, the "**Loan Documents**"). In connection with the Original Transaction, Landore also agreed to make a loan facility available to the Corporation for working capital requirements.

For further details regarding the Original Transaction, Landore Canada, and Landore, please refer to Landore's website at [www.landore.com](http://www.landore.com).

### ***Loan Documents***

Pursuant to the amendments to the Loan Agreement referenced above, among other matters, the maturity date was extended to April 30, 2019, certain payments were made by the Corporation to Landore Canada in respect of the interest accrued and owing up to April 30, 2014 and the interest provisions were revised such that the principal amount outstanding from time to time shall not bear any interest subsequent to April 30, 2014, where each promissory note in effect at the relevant times was replaced to reflect the foregoing. Under the original terms of the Loan Agreement and Promissory Note, interest accrued at a rate of three percent (3%) per annum, calculated and compounded monthly, and was payable on the maturity date.

Pursuant to the Loan Agreement and Promissory Note, as at the date hereof, the Corporation is indebted to Landore Canada in the aggregate amount of CDN\$6,159,320.

Pursuant to the Security Agreement, the Corporation has granted a security interest in favour of Landore Canada in respect of the Lamaune Assets and all personal property derived from any dealing with collateral subject to the security interest granted under the Security Agreement.

The Loan Documents contain representations, warranties and covenants, including provisions regarding events of default, generally consistent with similar agreements entered into in connection with transactions of this nature.

### ***Rationale for the Settlement Agreement***

The Original Transaction was effected following a strategic review of Landore's assets (as held through Landore Canada), which resulted in the proposal that the Lamaune Assets be transferred from Landore Canada to a separate entity (being the Corporation). Following further review of the Lamaune Assets, management of the Corporation has determined that it would be in the best interests of the Corporation to remerge the Lamaune Assets with the existing assets and properties of Landore (as held through Landore Canada), which are contiguous with the Lamaune Assets. In addition, the Corporation does not currently have sufficient assets to meet its payment obligations under the Loan Documents, and does not reasonably foresee it being able to acquire sufficient assets to meet such obligations by the maturity date or sufficient cash resources to continue as a going concern. Accordingly if Shareholders do not approve the Settlement Agreement then the Corporation will have to enter into a liquidation process. Entering into the Settlement Agreement will provide a mechanism for the Corporation to satisfy its obligations under the Loan Documents.

### ***No Dissent Rights***

Under the *Business Corporations Act* (Ontario) (the "**OBCA**"), Shareholders do not have dissent and appraisal rights with respect to the Settlement Agreement and the matters set forth therein.

### ***Vote Required***

Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, resolutions of the Shareholders approving the entering into of the Settlement Agreement and the matters set forth therein, including, amongst other things, the issuance of the Settlement Shares to Landore Canada by the Corporation.

To be effective, said resolutions must be approved by the affirmative vote of not less than a simple majority (50% plus 1) of the votes cast by Shareholders of the Corporation entitled to vote and present in person or represented by proxy.

Each of the directors of the Corporation has disclosed that he or she is also a director of Landore Canada and therefore is required to recuse himself or herself in respect of consideration of the Settlement Agreement by the board of directors of the Corporation, in accordance with Section 132 of the OBCA. Pursuant to Section 132(5.2) of the OBCA, the Settlement Agreement is therefore subject to approval by the Shareholders of the Corporation, which is being sought at the Meeting.

**Management recommends that Shareholders vote FOR the resolutions approving the Settlement Agreement and the matters set forth therein.**

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE ABOVE RESOLUTIONS UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTIONS.**

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein or in the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2015, which can be obtained as indicated below under "*Additional Information*", no informed person of the Corporation nor any associate or affiliate of any informed person has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's financial year ended December 31, 2015 or in any proposed transaction which has materially affected or would materially affect the Corporation.

#### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting accompanying this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Circular to vote the common shares of the Corporation represented thereby in accordance with their best judgment on such matter.

#### **ADDITIONAL INFORMATION**

Shareholders may request copies of the Corporation's financial statements by contacting the Corporation at c/o WeirFoulds LLP, 4100 – 66 Wellington Street West, PO Box 35, Toronto, Ontario M5K 1B7, Attention: Wayne Egan or by completing the Financial Statement Request Form accompanying this Circular.

#### **DIRECTORS' APPROVAL**

The contents and the sending of this Circular to the Shareholders of the Corporation have been approved by the Board of Directors. Unless otherwise specified, information contained in this Circular is given as of September 12, 2017.

**DATED** at Toronto, Ontario as of the September 12, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
LAMAUNE IRON INC.**

*"RICHARD PRICKETT"*

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**RICHARD PRICKETT**

Director

## SCHEDULE "A"

### FORM OF SHAREHOLDERS RESOLUTIONS

*All capitalized terms used in this Schedule "A" shall have the meanings described in the Management Information Circular dated September 12, 2017 to which this Schedule "A" is attached.*

**"BE IT RESOLVED, AS ORDINARY RESOLUTIONS OF THE SHAREHOLDERS, THAT:**

1. The Settlement Agreement, substantially in the form attached hereto as Appendix "I", be and is hereby authorized and approved;
2. The entering into, execution and delivery of the Settlement Agreement, together with any other documents, certificates, instruments and agreements ancillary or relating thereto, and the performance of its obligations thereunder and all transactions contemplated thereby by the Corporation, be and are hereby authorized and approved, including, but not limited to, the issuance by the Corporation to Landore Canada of 576,192,087 common shares in the capital of the Corporation (being the Settlement Shares), which shares shall, following such issuance, constitute approximately 90% of the issued and outstanding common shares in the capital of the Corporation;
3. In connection with the issuance of the Settlement Shares by the Corporation to Landore Canada, each of the following matters be and is hereby authorized and approved:
  - (a) 576,192,087 common shares in the capital of the Corporation in the aggregate be and the same are hereby allotted, set aside, reserved and kept available for issuance pursuant to the terms and provisions of the Settlement Agreement,
  - (b) the consideration for the allotment and issuance of the Settlement Shares be and is hereby fixed at \$6,159,320 in the aggregate, and
  - (c) the Corporation be and the same is hereby authorized and directed to issue the Settlement Shares in accordance with the Settlement Agreement and it is hereby authorized and declared that such Settlement Shares shall be issued as fully paid and non-assessable common shares in the capital stock of the Corporation and a share certificate or certificates representing such Settlement Shares shall be issued and delivered as contemplated by the terms of the Settlement Agreement;
4. Any authorized signatory of the Corporation be and is hereby authorized and directed to execute and deliver the Settlement Agreement and such other documents, certificates, instruments and/or agreements, as applicable, on behalf of the Corporation, whether under the corporate seal of the Corporation or otherwise, with such additions thereto, deletions therefrom and alterations thereto as the person authorized to sign the applicable document may approve, such approval to be conclusively evidenced by the signature of such person to such document;
5. Any officer or director of the Corporation be and is hereby authorized and directed, for and on behalf of and in the name of the Corporation, to do and perform all such acts and things, to execute, deliver and file all such applications, documents or other instruments in writing, whether under the seal of the Corporation or otherwise, pay all required fees and take all such other steps as may be necessary or as counsel to the Corporation may advise or which in the opinion of such director or officer may be considered necessary or advisable in order to give full effect to the foregoing resolutions, the execution by such officer or director of any such application, document or instrument, the payment of such fee, or the taking, doing or performing of any such step, act or thing being conclusive evidence of such approval;
6. All actions taken, things done and documents executed, delivered or filed in connection with the Settlement Agreement or these resolutions by any director or officer of the Corporation for and on behalf of the Corporation prior to the date hereof, are hereby ratified and confirmed; and
7. The board of directors of the Corporation be and is hereby authorized to revoke or delay the implementation of these resolutions for any reason whatsoever in its sole and absolute discretion, without further approval of the Shareholders, at any time prior to the closing time set forth in the Settlement Agreement, if it is considered to be in the best interests of the Corporation not to proceed.

## APPENDIX "I"

### SETTLEMENT AGREEMENT

#### DEBT SETTLEMENT AGREEMENT AND RELEASE

**THIS DEBT SETTLEMENT AGREEMENT AND RELEASE ("Settlement Agreement")** is made as of October 11, 2017 by and between **LAMAUNE IRON INC.** (the "**Debtor**") and **LANDORE RESOURCES CANADA INC.** (the "**Creditor**").

**WHEREAS** the Debtor and the Creditor entered into an asset purchase agreement dated as of June 10, 2011 (the "**Asset Purchase Agreement**") whereby the parties agreed, amongst other things, to transfer to the Debtor certain iron exploration assets (the "**Assets**") (as more particularly set out in the Asset Purchase Agreement) held by the Creditor;

**AND WHEREAS** pursuant to the Asset Purchase Agreement, the Debtor agreed to purchase and the Creditor agreed to sell the Assets, in return for CDN\$6,200,000, which was satisfied by the issuance of a promissory note by the Debtor, as replaced effective as of August 29, 2012 and April 30, 2014 (the "**Promissory Note**"), and secured by a loan agreement, as amended effective as of August 29, 2012 and April 30, 2014 (the "**Loan Agreement**"), and security agreement (the "**Security Agreement**") between the Debtor and the Creditor;

**AND WHEREAS** the amendments to the Loan Agreement referenced above provided for, among other matters: (i) the maturity date was extended to April 30, 2019, (ii) certain payments were made by the Debtor to the Creditor in respect of the interest accrued and owing up to April 30, 2014, and (iii) the interest provisions were revised such that the principal amount outstanding from time to time shall not bear any interest subsequent to April 30, 2014, where each promissory note in effect at the relevant times was replaced to reflect the foregoing;

**AND WHEREAS** pursuant to the Promissory Note and the Loan Agreement, as at the date hereof, the Debtor is indebted to the Creditor in the aggregate amount of CDN\$6,159,320 (the "**Aggregate Loan Indebtedness**");

**AND WHEREAS** the Debtor and the Creditor have agreed to settle the Aggregate Loan Indebtedness, subject to the terms and conditions set forth in this Settlement Agreement.

**NOW THEREFORE IN CONSIDERATION** of the mutual covenants and promises hereinafter contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Debtor and the Creditor), each of the Debtor and the Creditor hereby agrees as follows:

- 1. Settlement Payment.** The Debtor hereby agrees to issue the Creditor a total of 576,192,087 common shares (the "**Settlement Shares**") in the capital of the Debtor in full satisfaction of the Aggregate Loan Indebtedness, being \$6,159,320, all in accordance with the provisions set forth herein. Upon receipt of the Settlement Shares, the Creditor authorizes the termination and discharge of all security given by the Debtor as security for such debt and irrevocably authorizes the Debtor to register full discharges of any such security, including the security relating to the Security Agreement, and this shall be its full, sufficient, and irrevocable authority for so doing.
- 2. Closing.** Delivery of the Settlement Shares (the "**Closing**") will be completed at WeirFoulds LLP, the Debtor's legal counsel, at 10:00 a.m. (EST), on October 12, 2017, or such other date and time as the Debtor may determine (the "**Closing Date**"). At the time of Closing (the "**Closing Time**") on the Closing Date, the Settlement Shares shall be issued and a certificate or certificates representing the Settlement Shares shall be registered and delivered by the Debtor to or as directed by the Creditor in accordance with the instructions provided to the Debtor by the Creditor in full satisfaction of the Aggregate Loan Indebtedness, all as more particularly set forth herein.
- 3. Settlement Shares.** The Debtor hereby represents and warrants that the Settlement Shares shall, at the Closing Time, constitute approximately 90% of the issued and outstanding common shares in the capital of the Debtor, and shall be issued as fully paid and non-assessable common shares in the capital of the Debtor.

4. **Termination of the Loan Documents.** The Debtor and the Creditor acknowledge and agree that, effective upon Closing, each of the Promissory Note, the Loan Agreement, and the Security Agreement, and any other agreements, promissory notes, and security agreements relating to the foregoing (collectively, the "**Loan Documents**") shall terminate and discontinue, and notwithstanding the provisions of the Loan Documents that certain provisions survive termination of the Loan Documents, the parties shall be free and clear of all present and future liabilities or obligations to each other.
5. **Mutual Release.** Effective upon Closing, in exchange for the obligations and mutual releases set out herein, and except for the obligations set forth in this Settlement Agreement, each of the parties hereto, on behalf of itself, its parents, subsidiaries, affiliates, assigns, successors, and predecessors, and their current and former officers, directors, shareholders, employees, agents, and investors (each a "**Releasing Party**"), hereby knowingly and voluntarily forever waives and releases all rights and claims, known and unknown, which such Releasing Party had, has, or may have against the other party hereto, its parents, subsidiaries, affiliates, assigns, successors, and predecessors, and their current and former officers, directors, shareholders, employees, agents, and investors (collectively, the "**Released Parties**"), including any and all charges, complaints, claims, liabilities, obligations, promises, agreements, contracts, controversies, damages, actions, causes of action, rights in action, choses in action, remedies, disputes, accounts, penalties, counterclaims, suits, rights, demands, costs, losses, debts, and expenses, of any kind or nature whatsoever, including rights to attorneys' fees, punitive, incidental, indirect, special, or consequential damages, and equitable relief, at any time up to and including the Closing Date, at law, equity, or otherwise, whether known or unknown, suspected or unsuspected, fixed or contingent, joint or several, direct or indirect, foreseen or unforeseen, hidden or concealed, asserted or unasserted, which the Releasing Party had, has, or may have against the Released Parties arising out of or relating to the Loan Documents and the Aggregate Loan Indebtedness, including but not limited to any disputes thereunder.
6. **Acknowledgments.** Each party hereto understands and acknowledges that:
  - 6.1 Such party is hereby advised that it may consult and hereby acknowledges that it has in fact consulted with legal counsel of its own choosing concerning this Settlement Agreement prior to executing it.
  - 6.2 As a condition of this Settlement Agreement, the rights and claims being released under this Settlement Agreement expressly include those that each Releasing Party or any of them know about as well as those the Releasing Party or any of them may not know about as of the Closing Date, except for the obligations set forth in this Settlement Agreement. Each party understands that each Releasing Party or any of them may hereafter discover facts other than or different from those that they or any of them know or believe to be true with respect to the rights and claims being released under this Settlement Agreement, and each Releasing Party gives the releases set forth herein without regard to the subsequent discovery or existence of such different or additional facts. Each Releasing Party agrees that the releases set forth herein shall be in all respects effective and not subject to termination, rescission, alteration, or reformation as a result of the subsequent discovery or existence of such different or additional facts.
7. **No Release of Future Claims.** This Settlement Agreement does not waive or release any rights or claims that any party may have: (a) that may arise entirely after the Closing Date and do not arise out of or relate to the Loan Documents, including but not limited to any disputes thereunder; or (b) for a breach of the provisions of this Settlement Agreement.
8. **Covenants Not to Sue; Indemnification.** Each Releasing Party hereby covenants and agrees that it will not and will cause the other Releasing Parties related to it not to threaten, initiate, file, commence, continue, maintain, institute, acquire, control, proceed upon, encourage, or voluntarily assist, or participate in any way in any demand, suit, claim, counterclaim, action, cause, or proceeding, of any nature whatsoever based in any way on or arising in any way out of or resulting in any way from the rights and claims being released under this Settlement Agreement. Each Releasing Party shall, at its expense, indemnify each of the relevant Released Parties and shall hold each such Released Party harmless from and against any and all losses, claims, damages, liabilities, penalties, costs, attorneys' fees, expenses of investigation, amounts paid in settlement, judgments, and all other debts that may be asserted against or incurred or sustained by such Released Party arising out of, relating to, or in connection with any breach by the Releasing Party of the

covenants not to sue contained in this **Section 8**. This Settlement Agreement may be pleaded as a full and complete defence to, and may be used as the basis for an injunction against, any action, suit, or other proceeding that may be instituted, prosecuted, or attempted in breach of the covenants not to sue contained in this **Section 8**.

## **9. Representations and Warranties.**

- 9.1 **Authority.** Each party hereto hereby represents and warrants to the other party that it has all necessary power and authority to execute and deliver this Settlement Agreement, to perform its obligations under this Settlement Agreement, and to consummate the transactions contemplated by this Settlement Agreement. Each party further represents and warrants to the other party that the execution and delivery of this Settlement Agreement have been duly and validly authorized by all necessary corporate action applicable to such party, and no other corporate proceedings on the part of such party are necessary to authorize the execution and performance by such party of this Settlement Agreement.
- 9.2 **No Conflict.** Each party hereto hereby represents and warrants to the other party that the execution and delivery of this Settlement Agreement, the consummation of the transactions contemplated hereby, the fulfillment of the terms, conditions, and provisions hereof and the compliance with the terms, conditions, and provisions hereof by such party: (a) do not and will not conflict with, or violate any provision of any charter or other constating documents of such party; (b) do not and will not conflict with, or result in any breach of, any term, condition, or provision of, or constitute a default under, or give rise to any right of termination, cancellation, or acceleration under (whether after the giving of notice or lapse of time or both) any contract, agreement, license, instrument, order, judgment, or decree to which such party is a party or which is or purports to be binding upon such party; and (c) will not be in violation of any statute, rule, or regulation applicable to such party.
- 9.3 **No Assignment of Claims.** Each party hereto hereby represents and warrants to the other party that it has not assigned or transferred, or attempted to assign or transfer, to any person or entity, any of the claims such party is releasing in this Settlement Agreement.
- 9.4 **No Other Representations.** Each party hereto hereby represents and warrants to the other party that no promises, statements, or inducements have been made to such party that have caused such party to sign this Settlement Agreement other than those expressly stated in this Settlement Agreement. Each party hereto understands and agrees that in entering into this Settlement Agreement, none of the parties have relied on any statement of any other party or its attorneys and should any party hereto be mistaken in its belief with regard to some issue of fact or law regarding the matters herein described, released, reserved, or agreed to, each party specifically and expressly agrees to assume the risk of such mistake, if any exists.

## **10. Confidentiality.**

- 10.1 **Terms of Settlement.** Except where such disclosure is required under applicable laws or regulations or rules of any governmental or regulatory agency or stock exchange, each party hereto agrees to keep confidential and not divulge the terms of this Settlement Agreement or the claims being settled under this Settlement Agreement, and not to disclose such information to anyone other than its shareholders, parents, subsidiaries, affiliates, investors, and potential investors and acquirers, and their respective attorneys, accountants, auditors, and licensed tax and/or professional investment advisors, provided that such persons or entities agree to maintain such information in confidence.
- 10.2 **Claims Being Settled.** The parties agree that all information and documents of any kind received or created by either party hereto or its attorneys in connection with the claims being settled under this Settlement Agreement shall be maintained in confidence and may not be disclosed.

## 11. Miscellaneous Provisions.

- 11.1 **Addresses and Notices.** All notices under this Settlement Agreement or in connection with this Settlement Agreement must be in writing and will be deemed to have been duly given only if delivered personally against written receipt or mailed by registered mail (including international registered mail), to the parties at the addresses set out herein. All such notices will: (a) if delivered personally to the address as provided in this Section, be deemed given upon delivery; and (b) if delivered by registered mail to the address provided in this Section, be deemed given upon delivery.

The address of the Debtor is:

Lamaune Iron Inc.  
c/o WeirFoulds LLP  
66 Wellington Street West, Suite 4100  
P.O. Box 35, TD Bank Tower  
Toronto, Ontario, Canada M5K 1B7

The address of the Creditor is:

Landore Resources Canada Inc.  
555 Central Avenue, Suite #1  
Thunder Bay, Ontario, Canada P7B 5R5

Each of the Debtor and the Creditor from time to time may change its address for the purpose of notices delivered hereunder by giving notice in accordance with the provisions of this Section specifying such change to the other party.

- 11.2 **Waiver.** Any term or condition of this Settlement Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. No waiver by any party of any term or condition of this Settlement Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Settlement Agreement on any future occasion. All remedies, either under this Settlement Agreement, or by law or otherwise afforded, will be cumulative and not alternative.
- 11.3 **Fees and Expenses.** Each party shall bear its own costs and expenses (including attorneys' fees and expenses) incurred in connection with this Settlement Agreement and the cases and claims released in this Settlement Agreement.
- 11.4 **Third Parties.** Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any third party, person, or entity, other than the Released Parties, any rights or remedies under or by reason of this Settlement Agreement.
- 11.5 **Governing Law.** This Settlement Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any legal proceedings relating to the subject matter of this Settlement Agreement shall be submitted to the exclusive jurisdiction of the courts of the Province of Ontario, Canada.
- 11.6 **Invalid Provisions.** If any provision of this Settlement Agreement is held to be illegal, invalid, or unenforceable in any situation in any jurisdiction, and if the rights or obligations of any party under this Settlement Agreement will not be materially and adversely affected thereby: (a) such provision will be fully severable; (b) the validity and enforceability of such provision in any other situation or in any other jurisdiction will not be affected; (c) this Settlement Agreement will be construed and enforced in such situation in such jurisdiction as if such provision had never comprised a part of this Settlement Agreement; (d) the remaining provisions of this Settlement Agreement will remain in full force and effect and will not be affected by such provision or by its severance from this Settlement Agreement; and (e) *in lieu* of such offending provision, there will

be added automatically as a part of this Settlement Agreement a legal, valid, and enforceable provision as similar in terms to such offending provision as may be possible.

- 11.7 **Cooperation.** Each party hereto shall, at the request of the other party, execute and deliver such other documents and instruments and perform such other acts and things as may be reasonably necessary or desirable for completely effecting this Settlement Agreement and consummating the transactions contemplated by this Settlement Agreement.
- 11.8 **Drafting.** The parties have participated jointly in the negotiation and drafting of this Settlement Agreement. In the event an ambiguity or question of intent or interpretation arises, this Settlement Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favouring or disfavoring any party by virtue of the authorship of any of the provisions of this Settlement Agreement.
- 11.9 **Counterparts.** This Settlement Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted via facsimile or electronically in PDF format shall have the same effect as original signatures.
- 11.10 **Factual Investigation.** The Debtor and the Creditor each agree that it has made such investigation of the facts pertaining to this Settlement Agreement as each of them deems necessary or desirable.
12. **Entire Agreement; Amendment.** This Settlement Agreement is the final, complete, and exclusive agreement of the Debtor and the Creditor with respect to the subject matter hereof and supersedes and merges all prior or contemporaneous representations, discussions, proposals, negotiations, conditions, communications, and agreements, whether written or oral, between the parties relating to the subject matter hereof and all past courses of dealing or industry custom. No modification of or amendment to this Settlement Agreement shall be effective unless in writing and signed by each of the Debtor and the Creditor.

***[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]***

**IN WITNESS WHEREOF** the parties hereto have executed this Debt Settlement Agreement and Release as of the date first written above.

**LAMAUNE IRON INC.**

Per: \_\_\_\_\_

Name:

Title:

*I have authority to bind the corporation*

**LANDORE RESOURCES CANADA INC.**

Per: \_\_\_\_\_

Name:

Title:

*I have authority to bind the corporation*