

STARREX MINING CORPORATION LTD.

MANAGEMENT'S INFORMATION CIRCULAR (as of 04 July 2012)

FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
to be held Monday, the 20th day of August 2012

MANAGEMENT SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation by the Management of Starrex Mining Corporation Ltd. (the "Corporation") of proxies to be used at the Annual General Meeting (the "Meeting") of the Shareholders (the "Shareholders") of the Corporation to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and in this Information Circular. Solicitation of proxies will be primarily by mail, but may also be by telephone, telegraph or oral communication by and from the Directors, officers and regular employees of the Corporation. The cost of the solicitation of proxies will be borne by the Corporation.

Appointment and Revocation of Proxies

The persons named in the enclosed Instrument of Proxy are senior officers and/or Directors of the Corporation. **A Shareholder has the right to appoint some other person (who need not be a Shareholder) to represent such Shareholder at the Meeting other than the persons designated in the accompanying Instrument of Proxy.** To exercise this right, a Shareholder should insert the name of the desired person in the blank space provided in the Instrument of Proxy or should complete another Instrument of Proxy. An Instrument of Proxy will not be valid unless it is deposited at the Corporation's offices at Suite 5004, 3080 Yonge Street, Toronto, Ontario M4N 3N1, or at the offices of Computershare Investor Services Inc. ("Computershare"), Proxy Department, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than twenty-four (24) hours (excepting Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment thereof. A failure to deposit the proxy shall result in its invalidation.

A Shareholder who has submitted an Instrument of Proxy may revoke it by instrument in writing assigned by the Shareholder, or by an authorized attorney, or, if the Shareholder is a corporation, by a duly authorized officer, and deposited either at the offices of the Corporation, or of Computershare, as above noted, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the Instrument of Proxy is to be used, or with the Chairman of the Meeting on the day of such Meeting or adjournment thereof, or in any other manner permitted by law. In addition, an Instrument of Proxy may be revoked by the Shareholder, if a corporation, by a representative attending at the Meeting and voting such securities.

Exercise of Discretion by Proxies

The persons named in the accompanying Instrument of Proxy will vote the shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing them. **In the absence of such direction, such shares will be voted in favour of: (i) the election of Directors; and (ii) the appointment of auditors. The accompanying Instrument of Proxy confers discretionary authority upon the persons named therein with respect to amendment or variations to matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting.** As of the date hereof, the 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 of Meeting.

The Instrument of Proxy shall be executed by the Shareholder or his duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose

title should be indicated. An Instrument of Proxy signed by a person acting as attorney or in some other representative capacity should reflect that person's capacity following his signature and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

RECORD DATE

The Directors of the Corporation have set 11 July 2012 as the Record Date for the Meeting. Only Shareholders of record as at that date are entitled to receive notice of and to vote at the Meeting unless after that date a Shareholder of record transfers his shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he owns such shares, requests not later than ten days prior to the Meeting that the transferee's name be included in the list of Shareholders entitled to vote, in which case, such transferee is entitled to vote such shares at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS

As of 30 June 2012 there were 3,429,566 Common Shares of the Corporation issued and outstanding. Each share carried the right to one vote. To the knowledge of the Directors and senior officers of the Corporation, the only person or persons or companies beneficially owning or controlling, directly or indirectly, common shares carrying more than ten (10%) percent of the voting rights attached to all common shares of the Corporation at 20 June 2011, is S. Donald Moore, who directly as to 98,910 common shares, and indirectly as to 1,107,647 common shares, held through his associate, Talent Oil and Gas Ltd., controls, or exercises direction over, an aggregate of 1,206,577 (35.2%) of the outstanding common shares of the Corporation.

ELECTION OF DIRECTORS

Management of the Corporation proposes to nominate, and the persons named in the accompanying Instrument of Proxy intend to vote in favour to the election, as Directors, of the persons name below. The Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a Director but, if this should occur for any reason prior to the Meeting, the persons named in the accompanying Instrument of Proxy reserve the right to vote for another nominee at their discretion in the absence of a direction to the contrary. Each Director elected will hold office until the next Annual General Meeting or until his successor is duly elected, or appointed, unless his office is earlier vacated.

The number of Directors of the Corporation to be elected at this Annual General Meeting shall be three. All of the nominees currently serve as Directors of the Corporation and their terms of current office expire at the Meeting.

The following table and notes thereto state the names of the persons proposed to be nominated for election as Directors, all other positions and offices with the Corporation now held by them, their principal occupations or employments, the periods during which they have served as Directors of the Corporation and the approximate number of shares of the Corporation beneficially owned, directly or indirectly, by each of them, as at the date hereof. The information contained in the following table is based upon information furnished by the respective nominees.

<u>Name and Municipality Of Residence</u>	<u>Position and Office with the Corporation</u>	<u>Year First Became Director</u>	<u>Principal Occupation</u>	<u>Number of Common Shares of the Corporation Beneficially Owned, Controlled or Directed (Directly or Indirectly)</u>
S. Donald Moore ⁽¹⁾ Toronto, ON	President	1982	President of the Corporation; Director of Phoenix Canada Oil Company Limited and of Theralase Technologies Inc.	1,206,557 ⁽²⁾ ⁽³⁾
John A. Murphy ⁽¹⁾ Scarborough, ON	Secretary-Treasurer	1982	Corporate Secretary; Director of Theralase Technologies Inc. and of Phoenix Canada Oil Company Limited	202 ⁽³⁾
Charles Burns ⁽¹⁾ Maple, ON	None	2004	Businessman and Real Estate Investor; Director of Phoenix Canada Oil Company Limited	12,500 ⁽³⁾

Notes:

- ⁽¹⁾ Member of Audit Committee.
- ⁽²⁾ Mr. Moore holds 98,910 common shares directly, and indirectly through his associate, Talent Oil and Gas Ltd., exercises direction over a further 1,107,647 common shares.
- ⁽³⁾ Shares owned do not include shares that may be acquired on the exercise of stock options described under "Executive Compensation" herein.

APPOINTMENT OF AUDITORS

The independent external auditors of the Corporation are MSCM LLP, Chartered Accountants, who have acted in that capacity since 2005. The Corporation has requested that MSCM LLP, Chartered Accountants, act as independent external auditors for the fiscal year 2012, subject to Shareholder approval. **The persons named in the accompanying Instrument of Proxy intend to vote for the appointment of MSCM LLP, Chartered Accountants, as independent external auditors of the Corporation to hold office until the next Annual General Meeting of Shareholders and to authorize the Directors to fix the remuneration of the auditors.**

ANNUAL REPORT, FINANCIAL STATEMENTS AND AUDITORS REPORT

The Annual Report, the audited Financial Statements of the Corporation for the year ended December 31, 2011, and the Auditor's Report thereon, will be received for consideration at the Meeting.

Further detailed information on the Corporation's assets and operations, which are filed in a timely manner on an historic and ongoing basis, may be accessed at any time on the SEDAR regulatory filing system website (www.sedar.com). The Corporation will promptly provide to any Shareholder requesting same a copy of any current document described on the said SEDAR regulatory filing system free of charge.

EXECUTIVE COMPENSATION

The executive officers of the Corporation are S. Donald Moore, President and Chief Executive Officer, and John A. Murphy, Secretary-Treasurer and Chief Financial Officer.

Compensation of Officers

The compensation paid by the Corporation to the President and Chief Executive Officer of the Corporation for services rendered in all capacities to the Corporation aggregated \$15,000 and \$15,000, respectively, for the years 2011 and 2010. No bonuses, other annual compensation, other awards, payouts, share grants, or share options or the equivalent were paid or are payable in respect of executive compensation for the years 2011 and 2010.

The compensation paid by the Corporation to the Secretary-Treasurer of the Corporation for accounting, administrative and secretarial services rendered aggregated \$15,000 and \$15,000, respectively for the years 2010 and 2009.

The aggregate remuneration paid by the Corporation to the Directors and senior officers in respect of the fiscal year ended December 31, 2011 was \$30,000, and for the fiscal year ended December 31, 2010 was \$30,000. See also "Interest of Insiders in Material Transactions and Management Contracts."

During October 2007, the Corporation granted an aggregate of 80,000 stock options under its 2004 Stock Option Plan to all the Directors; 40,000 stock options to the President and 20,000 stock options to each of the Secretary-Treasurer and the remaining Director, all exercisable at an exercise price of \$0.50 (50 cents) per share. The stock options have a term of 5 years, vest over 3 years, and are first exercisable on the first anniversary of the grant in October 2008.

Employment Contracts and Retirement Plans

The Corporation has no employment contracts, retirement or pension plans with or for its Directors, officers or management employees.

Compensation of Directors

The Corporation pays to each Director a fee of \$250 for each meeting of the Board of Directors or Committee of the Board of Directors attended and out-of-pocket expenses incurred in connection with their attendance at such meetings, or otherwise in furtherance of their duties as Directors.

Directors' and Officers' Liability Insurance

The Corporation has bound Directors' and Officers' liability insurance at an aggregate annual premium cost of \$6,156 (coverage shared with an associated company). The insurance limit under the policy is \$1,000,000 per occurrence, subject to a \$15,000 annual deductible for defense costs payable by the Corporation.

Indebtedness of Directors and Officers

No Directors or officers of the Corporation are indebted to the Corporation nor have any Directors or officers of the Corporation been indebted to the Corporation during 2011, or during the fiscal year 2012 to date.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS AND MANAGEMENT CONTRACTS

The Corporation paid \$15,000 and \$15,000, respectively, in each of 2011 and 2010 to Secorp Limited, a corporation controlled by Mr. John A. Murphy, for the contract provision of independent financial management, accounting and corporate secretarial services rendered by it to the Corporation.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Mandate of the Board of Directors

The Board of Directors believes that effective corporate governance contributes to improved corporate performance and is essential for enhanced Shareholder value.

The responsibility of the Board of Directors is to supervise the management of the business and affairs of the Corporation and to act with a view towards the best interests of the Corporation and of its Shareholders.

In discharging its mandate, the Board of Directors oversees and reviews the Corporation's development plans and the implementation of the following significant corporate plans and initiatives, among other affairs and events that arise from time to time:

1. Formulating the overall strategic direction of the Corporation; and
2. Identifying the principal risks of the Corporation's business and monitoring the implementation by management of systems to manage and control these risks; and
3. Succession planning, including appointing and monitoring senior management; and
4. Monitoring the implementation of shareholder relations strategies to facilitate communications with investors and other interested parties; and
5. Reviewing the integrity of the Corporation's internal financial controls and management information systems; and
6. Assessing at regular intervals the effectiveness of the Board of Directors as a whole and the contributions of the individual Directors to the Corporation's business progress.

The Board of Directors generally plans to meet or teleconference about once each quarter, dependent upon the Corporation's business activities, as well as directly following the Annual Meeting of Shareholders for the appointment of officers and for other corporate purposes. The frequency of the meetings of the Board of Directors, as well as the nature of meeting agendas, are dependent upon the Corporation's active business affairs and are determined by the new opportunities or ongoing or new issues which the Corporation faces from time to time.

Composition of the Board of Directors

The Board of Directors is currently composed of three members. The Board of Directors believes that a majority of its members, Messrs. Murphy and Burns, are unrelated independent Directors, as defined in National Instrument 58-201 (in other words, independent of the Corporation's management and the control position, and free from an interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with their ability to act at all times in the best interests of the Corporation, other than interests and relationships arising from their otherwise modest shareholdings, if any). When appropriate, independent committees may be appointed from time to time to consider special material business affairs and opportunities.

The Board of Directors has regularly considered the appropriate size of the Board to determine whether it has sufficient members to carry out its mandate in an efficient manner, while simultaneously presenting a diversity of views and experience, in the light of its currently limited business activity. The Board is of the view that the Corporation's currently relatively limited business operations dictate that a Board composition of at least three Directors serves to promote effectiveness and efficiency in the direction of the Corporation's current business affairs and general operations, while preserving its diversity. The modest current business activity of the Corporation dictates that the current member composition of the Board is considered adequate in relation to the tangible scope of such business operations.

Principal Shareholder

S. Donald Moore, with an associate, Talent Oil and Gas Ltd., together hold approximately 35.2% of the outstanding shares of the Corporation. For the purposes of these guidelines, Mr. Moore is not considered a significant Shareholder (in other words, a Shareholder with the ability to exercise an absolute majority of the votes cast for the election of the Board of Directors).

Independence from Management

S. Donald Moore is Chief Executive Officer and acts as President of the Corporation. The Board of Directors is of the view that the position of Mr. Moore does not impair the ability of the Board of Directors

to act independently of Management and further, considering the modest size and restricted scope its present direct operating activities, this arrangement is presently appropriate, functional and financially responsible. Mr. Moore assumes responsibility for substantially all of the day-to-day business affairs of the Corporation but, as a matter of practice, consults with individual members of the Board on all material matters, with special reference to consultations before definitive decisions are made when significant new corporate business opportunities are offered for consideration by the Corporation.

Board of Director Committees

The Board of Directors presently has one committee, the Audit Committee. The Board as a whole meets as required to discuss matters relating to compensation and such other financial issues as it deems necessary and advisable.. When deemed appropriate in the circumstances, members of senior Management, presently exclusively Mr. Moore, is not present at such meetings.

Given the limited number of members of the Corporation's Board of Directors, and the Corporation's currently modest active business operations, the independent members of the Board, who are individually not material Shareholders, must assume the functions of the corporate governance and compensation committee. In this regard, their duties include:

1. Reviewing the role and conduct of the Board of Directors and its committees and the manner in which the Board of Directors and its committees carry out their duties and responsibilities; and
2. Reviewing the composition and other requirements of the Board of Directors and identifying and recommending suitable candidates for election as Directors; and
3. As and when required, ensuring a suitable orientation program is available for new Directors and senior Management; and
4. Reviewing the form and adequacy of Directors' and senior officers' compensation; and
5. Determining the Directors' and officers' compensation.

Audit Committee

At present, the Board of Directors' only formal committee is the Audit Committee. The Board has determined that additional formal committees are not practical or necessary, considering the modest scope of the Corporation's current business operations. The Audit Committee operates under the Audit Committee Mandate guidelines (Schedule "A" hereto) established under the independence and financial literacy requirements of National Instrument 52-110 and follows recommendations of the Corporation's outside auditors to enhance the effectiveness of those published guidelines. In addition to carrying out its statutory legal responsibilities (including review of the Corporation's annual financial statements prior to their presentation to the Board), the Audit Committee reviews all financial reporting, including interim financial statements and the Management's Discussion and Analysis reported in the Corporation's Annual Report. The Committee meets with the Corporation's external auditors and with members of Management at least once a year (and more frequently as necessary) to assist it in the effective discharge of its duties. The Audit Committee also recommends to the Board the auditors to be appointed as the Corporation's auditors at the Annual Meeting and the terms of their remuneration.

The Committee is also charged with reviewing and monitoring the actions taken by Management with respect to any significant recommendations made by the Corporation external independent auditors.

Decisions Requiring Board Approval

Management is authorized to act, without Board approval, on all ordinary course matters relating to the Corporations' business.

In addition to those matters which by law or by rules of the securities regulatory bodies and Stock Exchange having jurisdiction, must be approved by the Board of Directors, approval by the Board is required for the Corporation's annual business plan and budget, if and when prepared and warranted by the

Corporation's business plans and ongoing operations, major acquisitions or dispositions by the Corporation, or transactions which are outside the scope of the Corporation's existing business interests and expertise.

Shareholder Communications

The Board of Directors has authorized Management to represent the Corporation in its communications with shareholders and members of the investment community. In addition, Management meets regularly with investors and other interested parties to receive and respond to inquiries and comments. All inquiries and concerns are directed as to context and are subject to receipt of a complete and timely response from the appropriate officer of the Corporation considering such matters. The Board of Directors may review, at its discretion, the Corporations' materially significant communications with investors, the public and the financial community.

Expectations of Management

The Board of Directors has currently charged Management with the exclusive responsibility for the efficient management and direction of the business and for the identification and proposals of initiatives for the Corporation to evaluate and secure opportunities as they arise. In order for the Board to effectively carry out its mandate, it must have confidence in the abilities of Management which regularly reports to it with respect to identifying material issues and corporate opportunities.

ADDITIONAL INFORMATION ON THE CORPORATION

The documents referred to or incorporated by reference in this Management's Information Circular, including the current and prior year's Annual Reports and audited Financial Statements, and the prior year's Management's Information Circular, and interim reports and Press Releases distributed by the Corporation, are available on the SEDAR regulatory filing system website (www.sedar.com). All current corporate documents will be provided free of charge to any shareholder of the Corporation upon request to the Corporation directed to Suite 5004, 3080 Yonge Street, Toronto, Canada M4N 3N1.

OTHER MATTERS

Management of the Corporation knows of no amendments, variations to other matters to come before the Meeting other than the matters referred to in the accompanying Notice of Annual Meeting.

BOARD APPROVAL

The contents of this Management's Information Circular and the transmittal thereof to the shareholders of the Corporation have been approved by the Board of Directors.

CERTIFICATE

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Dated: 04 July 2012

Signed by:

"S. Donald Moore"
President and Chief
Executive Officer.

SCHEDULE "A"

AUDIT COMMITTEE MANDATE

The Audit Committee ("Committee") of the Board of Directors of Starrex Mining Corporation Ltd., ("Company") shall have the responsibilities and duties as described below:

A. Mandate

The mandate of the Committee shall be:

- (a) To perform such duties as may be required by the applicable legislation, regulations and policies, including those of the Ontario Securities Commission ("OSC") and the TSX Venture Exchange ("TSXV"), as described under the heading "Duties" below.
- (b) To assist the Board of Directors ("Board") in fulfilling its oversight responsibilities for:
 - (i) the integrity of the Company's financial statements; and
 - (ii) the Company's compliance with legal and regulatory requirements; and
 - (iii) the independent external auditors' qualifications and independence; and
 - (iv) the performance of the Company's independent external auditors; and
 - (v) the system of internal controls over financial reporting ("internal controls").
- (c) To perform such other duties as may from time to time be assigned to the Committee by the Board of Directors.

B. Authority

The Committee has authority to:

- (a) conduct or authorize investigations into any matters within the scope of its responsibility; and
- (b) meet with Company officers, independent external auditors and legal advisors; as applicable and necessary; and
- (c) determine the appropriate funding for the Company's legal advisors.

C. Duties

The Committee shall deal with:

Financial Information

- (a) review the quarterly and annual consolidated financial statements of the Company, prior to their approval by the Board and disclosure to the public, which review shall be completed in a timely manner, and shall include discussion with management and the external auditors on significant issues regarding the financial results, accounting principles, practices and management estimates and judgments; and

- (b) review the quarterly and annual Management's Discussion & Analysis ("MD&A") of the Company's current financial results, position and future prospects prior to its review approval by the Board; and
- (c) review earnings reports and related press releases; and
- (d) discuss significant financial risk exposures and the steps the Company's management has taken to monitor, control and report such exposures; and
- (e) review with management and the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards; and
- (f) review the process relating to the certifications of the Chief Executive Officer and the Chief Financial Officer on the integrity of the Company's quarterly and annual consolidated financial statements as may be required under applicable securities legislation, rules and regulations.

Compliance

- (a) review the nature and effect of material financial transactions of the Company which may be brought to its attention by the external auditors or by Company management; and
- (b) review litigation matters, when relevant and material; and
- (c) review this Mandate annually for the Committee and evaluate the Committee's effectiveness in fulfilling its mandate.

Internal Controls

- (a) propose to and require Company management to implement and maintain appropriate internal control procedures over financial reporting and review and evaluate and approve these procedures; and
- (b) maintain procedures for processing material complaints from any legally interested and concerned party regarding accounting, internal controls or auditing matters; and
- (c) establish procedures for responding to material complaints and comments regarding environmental and related matters.

External Auditors

- (a) have responsibility for the oversight of the independent external auditors who shall report directly to the Committee; and
- (b) retain and/or terminate the Company's independent external auditors, subject to the appropriate shareholder action at the Company's shareholder meetings; and
- (c) annually review the report of the independent external auditors; and
- (d) review and recommend to the Board the annual fee for the audit, and review the Company's other audit-related expenses; and
- (e) meet with the independent external auditors and with the Company's Chief Financial Officer to review the interim and annual consolidated financial statements, including the Company's disclosures under the MD&A; and
- (f) review with the independent external auditors any audit problems or difficulties and review management's response in such circumstances.

Reporting and Other Duties

- (a) report to the Board on the proceedings of each Committee meeting, and on the Committee's recommendations at the next regularly scheduled Board meeting; and

- (b) provide for open and complete communications between the internal audit functions, the independent external auditors and the Board of Directors; and
- (c) institute, oversee and determine special investigations of Company financial affairs and related matters, as determined and instructed by the Board of Directors.

D. Composition of the Committee

Structure

The Committee shall comprise not less than two Directors, a majority of whom shall be resident Canadians, which the Board of Directors considers as appropriate for the current scope of the Company's assets and operations, and all of whom shall be "unrelated directors" as such term is, in general terms, defined in the TSXV corporate governance guidelines.

Each member of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her judgment as a member of the Committee. All members of the Committee shall have a working familiarity with basic finance and accounting practices and with generally accepted accounting principles.

Independence

As determined by the Board of Directors for the purposes of the relevant Guidelines on Corporate Governance, no member may hold 5% or more of the voting shares of the Company. Directors' fees (annual retainer and/or attendance fees), payments for nominal, intermittent services for the Company and incentive stock options are the only compensation a member of the Committee may receive from the Company.

Appointment of Committee Members

Members are appointed or reappointed annually by the Board of Directors, such appointments to be effective immediately following the Annual Meeting of the shareholders of the Company. Members shall hold office until their successors are appointed or until they cease to be Directors of the Company.

Vacancies

The Board of Directors shall fill vacancies for the remainder of any current term of appointment of members of the Committee.

Appointment and Qualifications of Committee Chair

The Board of Directors shall appoint from the Committee membership, a Chair of the Committee to preside at their meetings. In the absence of the Chair, one of the other members of the Committee present shall be chosen by the Committee to preside at that meeting.

E. Meetings

Calling of Meetings

Meetings of the Committee may be called by:

- (i) the Chair; or
- (ii) any member of the Committee; or

- (iii) the independent external auditors.

The Committee may call a meeting of the Board of Directors to consider any matter of material concern to the Committee.

The Committee shall not transact business at a meeting unless a majority of the members present are resident Canadians except where:

- (a) a resident Canadian member who is unable to be present approves in writing or by telephonic, electronic or other communication facilities the business transacted at such meeting; and
- (b) a resident Canadian majority of members would have been present if the absent member had been present.

Any resolution consented to at any time during the Company's existence by the signatures of all the members of the Committee is as valid and effective as if passed at a meeting of the members of the Committee duly called, constituted and held for that purpose.

Notice of Meetings

Notice of meetings of the Committee shall be sent by prepaid mail, by personal delivery or other customary means of transmitted or recorded communication, or by telephone, at least 12 hours before the meeting to each member of the Committee at the member's address or communication number last recorded with the Company. A Committee member may in any manner waive notice of a meeting of the Committee, and attendance at a meeting is a waiver of notice of the meeting, except where a member attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

Notice to the Internal Auditor and Independent External Auditor

The independent external auditors are entitled to receive notice of meetings of the Committee when their work for the Company is on the agenda of such meeting. The said auditors have the right, but not the obligation, to attend and be heard at each such meeting and to have the opportunity to discuss matters with the independent Directors, without the presence of management or the other Directors, at the discretion of the independent Directors.

Frequency of Meetings

The Committee shall meet in person, or by telephone, quarterly, or as otherwise determined by the Committee.

Quorum

The quorum for a meeting of the Committee shall not be less than 50% of the number of its members, subject to a minimum of two members.

Secretary and Minutes

The Chief Financial Officer of the Company shall act as Secretary of Committee meetings. When not available to so act, any member of the Committee shall be appointed by the other members to so act. Minutes of the Committee's material meetings shall be recorded and maintained by the Secretary of the Committee, or by a member so designated at a meeting.