

WAMCO TECHNOLOGY GROUP LTD.

2830 Austin Avenue

Victoria, British Columbia V9A 2K7

MANAGEMENT INFORMATION CIRCULAR

This management information circular (the “Circular”) is furnished in connection with the solicitation by management of Wamco Technology Group Ltd. (the “Company”) of proxies to be used at the annual and special meeting of shareholders of the Company (the “Meeting”) to be held at Suite 1010, 130 Adelaide Street West, Toronto, Ontario, on Monday, July 4, 2011, at 10:00 a.m. (Eastern time) and at any adjournment thereof for the purposes set forth in the enclosed Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of June 8, 2011.

Although it is expected that the solicitation of the proxies will be primarily by mail, proxies may also be solicited personally or by telephone or facsimile or other similar means of communication by regular employees of the Company. The cost of solicitation will be borne by the Company. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares (“**Common Shares**”) of the Company and normal handling charges will be paid for such forwarding services.

APPOINTMENT, VOTING AND REVOCATION OF PROXIES

Appointment

Any Shareholder has the right to appoint a person (who need not be a shareholder) other than the persons designated in the enclosed form of proxy to attend and to vote and act for and on behalf of such person at the Meeting. In order to do so the shareholder may insert the name of such person in the blank space provided in the form of proxy, or may use another appropriate form of proxy. All proxies must be deposited with the Company’s registrar and transfer agent, Olympia Transfer Services Inc. at its Toronto office located at 120 Adelaide Street West, Suite 920, Toronto, Ontario M5H 1T1, not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment thereof. The Company may refuse to recognize any instrument of proxy received after such time.

Voting

Common Shares represented by any properly executed proxy in the accompanying form will be voted for or against, or withheld from voting, as the case may be, on any ballot that may be called for in accordance with the instructions given by the Shareholder. **In the absence of such direction, such Common Shares will be voted in favour of the matters set out herein.**

The accompanying form of proxy confers discretionary authority on the persons named in it with respect to amendments or variations to matters identified in the notice of Meeting or other matters that may properly come before the Meeting. As of the date hereof, management of the Company is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of management of the Company.

Revocation

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing and deposited either at the offices of the Company’s registrar and transfer agent, Olympia Transfer Services Inc. at its Toronto office located at 120 Adelaide Street West, Suite 920, Toronto, Ontario M5H 1T1, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with

the chair of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Beneficial Holders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Company's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name of the Canadian Depository for Securities which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. 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 Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

Registered Shareholders

At the date hereof, the Company has outstanding 8,741,954 Common Shares, each of which carries one vote per share. To the knowledge of the directors and officers of the Company, the only persons or corporations beneficially owning,

directly or indirectly, or exercising control or direction over securities carrying in excess of 10% of the voting rights attached to any class of outstanding voting securities of the Company are as follows:

<u>Name and Municipality of Residence</u>	<u>Class and No. of Shares</u>	<u>Percentage of Class</u>
Joseph Whipple Christ Church, Barbados	2,199,533 Common Shares	25.16%

Persons registered on the books of the Company at the close of business on June 3, 2011 (the “**Record Date**”) are entitled to vote at the Meeting. In accordance with the provisions of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”), the Company will prepare a list of holders of Common Shares as of such record date. Each holder of Common Shares named in the list will be entitled to vote the shares shown opposite his or her name on the list at the Meeting. All such holders of record of Common Shares are entitled either to attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Company’s transfer agent within the time specified in the attached Notice of Meeting, to attend and vote thereat by proxy the Common Shares held by them.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (the “**Board**”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the fiscal year ended December 31, 2010 and the report of the auditor thereon which accompany this Circular, will be submitted to the Meeting. Receipt at the Meeting of the auditor’s report and the Company’s audited financial statement for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein.

2. ELECTION OF DIRECTORS

The board of directors of the Company (the “Board”) currently consists of five (5) directors. The Company is asking shareholders to elect a Board comprised of four (4) directors to be elected annually. The following table states the names of the persons nominated by management for election as directors, any offices with the Company currently held by them, their principal occupations or employment during the past five years if such nominee is not presently an elected director, the period or periods of service as directors of the Company and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof. The term of office of each director will be from the date of the meeting at which he is elected until the next annual meeting, or until his successor is elected or appointed.

Name and Municipality of Residence	Principal Occupation	Director Since	Position with the Company	Number of Common Shares Beneficially Owned⁽¹⁾
Joe Whipple Christ Church, Barbados	Retired	December 1995	President, Chief Executive Officer, Chief Financial Officer and Director	2,199,533
Stephen Dunn ⁽²⁾ Toronto, Ontario	President and Chief Executive Officer of Crown Gold Corporation since February of 2009;	June 2000	Director	277,529

Name and Municipality of Residence	Principal Occupation	Director Since	Position with the Company	Number of Common Shares Beneficially Owned ⁽¹⁾
John Cullen Barrie, Ontario	Director, CGX Energy Inc. since October 1998; Director, Southeast Asia Mining Corp. since March 2005; Director, Hy Lake Gold Inc. since May 2010; Director, Victory Gold Mines from December 2009 to December 2010 and Director, Candax Energy Inc. from June 2004 to March 2010.	Proposed nominee	Proposed Director	Nil
James Fairbairn Thornhill, Ontario	Self-Employed Chartered Accountant	Proposed nominee	Proposed Director	Nil

Notes:

- (1) *The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Company, has been furnished by the respective nominees individually.*
- (2) *Member of the Audit Committee.*

Proxies received in favour of management will be voted for the election of the above-named nominees, unless the shareholder has specified in the proxy that his or her Common Shares are to be withheld from voting in respect thereof. Management has no reason to believe that any of the nominees will be unable to serve as a director but, if a nominee is for any reason unavailable to serve as a director, proxies in favour of management will be voted in favour of the remaining nominees and may be voted for a substitute nominee unless the shareholder has specified in the proxy that his or her shares are to be withheld from voting in respect of the election of directors.

As at the date of this management information circular, the current directors of the Company as a group, directly or indirectly, beneficially own or exercise control or direction over 2,515,962 Common Shares, representing approximately 28.7% of the issued and outstanding common shares.

Other than as set out below, none of the directors or executive officers:

- (a) is, as at the date of this information circular, or was within 10 years before the date of this Circular, a director or chief executive officer or chief financial officer of any company that:
- (i) was the subject of an order (as defined in Multilateral Instrument 51-102F5) 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 an order 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 a director, chief executive officer, or chief financial officer.

Joe Whipple has been a director of the Company since December 1995. On July 18, 2003, the Alberta Securities Commission and on May 11, 2009, the British Columbia Securities Commission, issued cease trade orders against the Company due to the Company's failure to file annual audited financial statements for the year ended December 31, 2002. The cease trade orders were revoked on November 30, 2010.

John Cullen is a current director of Southeast Asia Mining Corp. ("SEA") which is subject to Cease Trade Orders issued by the securities commissions of the Provinces of British Columbia, Alberta, Manitoba and Ontario in May 2009. The cease trade orders were issued for failure to file SEA's audited consolidated financial statements

for the year ended December 31, 2008 and subsequent periods.

James Fairbairn was a director of Black Pearl Minerals Consolidated Inc. (now Canada Lithium Corp.), a corporation incorporated under the *Business Corporations Act* (Ontario), in July 2002 when the Corporation was subject to a cease trade resulting from a failure to file financial statements which cease trade order was rescinded in October 2002.

Other than as set out below, none of the directors, executive officers or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is at the date hereof, or has been within 10 years before the date of this information circular, a director or executive officer of any company 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
- (b) has, within the 10 years before this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

John Cullen was formerly a director of Biogan International, Inc. ("Biogan"), a corporation incorporated under the laws of Delaware and listed on the NASDAQ Bulletin Board. Mr. Cullen resigned before Biogan filed for bankruptcy protection. On July 9, 2004 the US Bankruptcy Court confirmed the Biogan liquidation plan and the final decree closing the bankruptcy proceedings occurred in April 2005. There were no conditions to entry of the final decree other than the financing and distribution of proceeds.

3. APPOINTMENT OF AUDITOR

Watson, Dauphinee & Masuch, Chartered Accountants, has been the auditor of the Company since January 26, 2006.

Unless the shareholder directs that his or her common shares are to be withheld from voting in connection with the appointment of auditors, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of Watson, Dauphinee & Masuch, Chartered Accountants, as the auditor of the Company until the next annual meeting of shareholders and to authorize the directors to fix the auditor's remuneration.

4. CONTINUANCE TO ONTARIO

The Company is a corporation incorporated under the BCBCA. Because the majority of management is located in Toronto, Ontario, management wishes to effect the continuance (the "**Continuance**") of the Company from the Province of British Columbia to the Province of Ontario. As a result of the Continuance the corporate legislation that governs the Company will cease to be the BCBCA, and the Company will be governed by the *Business Corporations Act* (Ontario) (the "**OBCA**"). The text of the special resolution to be proposed at the Meeting is attached as Exhibit "III" to the Notice of Meeting which accompanies this Circular. If the special resolution approving the Continuance (the "**Continuance Resolution**") is approved at the Meeting, it is proposed that the application for approval to continue the Company under the OBCA will be made immediately following approval by the shareholders of the Company at the Meeting.

If the Continuance is approved, the articles of continuance will be adopted to replace the existing articles of the Company (the equivalent of a Certificate of Incorporation) and will constitute the governing instruments of the continued corporation under the OBCA. The existing articles of the Company will be adopted and continued into the Province of Ontario, except to the extent that they may conflict with the OBCA.

Comparison of Rights Under the OBCA and the BCBCA

The provisions of the OBCA dealing with shareholder rights and protections are generally comparable to those contained in the BCBCA. Shareholders of the Company will not lose any significant rights or protection as a result of the Continuance. The following is a summary comparison of the provisions of the OBCA and the BCBCA which pertain to the rights of shareholders. This summary is not intended to be exhaustive and does not cover all of the differences between the OBCA and the BCBCA affecting corporations and their shareholders and is qualified in its entirety by the complete text of the relevant provisions of the BCBCA and the OBCA. Upon completion of the Continuance, the rights of the shareholders of the Company will also be subject to the articles and by-laws of the Company, as set forth in further detail below. Shareholders should consult their legal advisors regarding all of the implications of the Continuance. Notwithstanding the alteration of shareholders' rights and obligations under the OBCA and the articles of incorporation and by-laws for the Company, the Company will still be bound by the rules and policies of applicable securities legislation.

Charter Documents

Under the BCBCA, the charter documents consist of a "Notice of Articles", which sets forth the name of a Company and the amount and type of authorized capital, and "Articles" which govern the management of the Company. The Notice of Articles is filed with the Registrar of Companies and the Articles are filed only with the Company's registered and records office.

Under the OBCA, a corporation has "articles", which set forth the name of the corporation and the amount and type of authorized capital, and "by-laws" which govern the management of the corporation. The articles are filed with the Director under the OBCA and the by-laws are filed with the corporation's registered and records office.

Therefore, the current articles of the Company, which are suitable for a corporation governed by the BCBCA but not for a corporation governed by the OBCA, will have to be changed to new by-laws that are suitable for an Ontario corporation. The repeal of the existing articles of the Company has been approved by the directors, subject to the prior completion of the Continuance. Upon the Continuance becoming effective, the former articles of the Company will be repealed and replaced with the articles of continuance of the Company. As set forth in the Continuance Resolution, upon completion of the Continuance, the by-laws of the Company shall be in substantially the form attached as Schedule "A" to the Circular.

Sale of a Corporation's Undertaking

The OBCA requires approval of the holders of two-thirds of the shares of a corporation represented at a duly called meeting to approve a sale, lease or exchange of all or substantially all of the property of the corporation, other than in the ordinary course of business. If a sale, lease or exchange of all or substantially all of the property of a corporation would affect a particular class series of shares in a manner that is different than the shares of another class of shares entitled to vote, then such class or series of shares are entitled to a separate class or series of shares are entitled to a separate class or series vote, regardless of whether or not such shares otherwise carry the right to vote.

Under the BCBCA, the directors of a corporation may dispose of all or substantially all of the business or undertaking of the corporation only if it is in the ordinary course of the corporation's business or with shareholder approval authorized by special resolution. Under the BCBCA, a special resolution requires the approval of a "special majority", which means the majority specified in a corporation's articles of at least two-thirds and not more than by three-quarters of the votes cast by those shareholders voting in person or by proxy at a general meeting of the corporation.

Amendments to the Charter Documents of a Corporation

Under the OBCA, amendments to changes to the charter documents of a corporation require a resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the amendments to and, where certain specified rights of the holders of a class of shares are affected differently by the alteration than the rights of the holders of other classes of shares, a resolution passed by not less than two-thirds of the votes cast by the holders of all of the shares of a corporation, whether or not they carry the right to vote, and a special resolution

of each such class, or series, as the case may be, even if such class or series is not otherwise entitled to vote. A resolution to amalgamate an OBCA corporation requires a special resolution passed by the holders of each class of shares or series of shares, whether or not such shares otherwise carry the right to vote, if such class or series of shares are affected differently.

Changes to the articles of a corporation under the BCBCA will be affected by the type of resolution specified in the articles of the corporation, which, for many alterations, including change of name or alterations to the articles, could provide for approval solely by a resolution of the directors. In the absence of anything in the articles, most corporate alterations will require a special resolution. Alteration of the special rights and restrictions attached to issued shares requires, in addition to any resolution provided for by the articles, consent by a special resolution of the holders of the class or series of shares affected. A proposed amalgamation or continuation of a corporation out of the jurisdiction requires a special resolution as described above.

The directors of the Company consider the Continuance in the best interests of the shareholders of the Company and recommend that the shareholders vote in favour of the Continuance. The shareholders will be requested to approve the Continuance by special resolution which must be passed by three-quarters of the votes cast by the holders of the common shares of the Company entitled to vote at the Meeting.

The directors of the Company may, notwithstanding requisite shareholder approval, abandon the application for the Continuance without further approval of the shareholders, all as provided under the BCBCA. In making such determination, the directors in their discretion, will determine whether it is in the best interests of the Company to proceed with the Continuance, after considering all relevant factors at the particular time, whether or not foreseen at this date.

Pursuant to the BCBCA, a holder of Common Shares is entitled to dissent to the Continuance and be paid fair value for such shares if the shareholder objects to the special resolution approving the Continuance. A management summary of the shareholders dissent rights is set forth below.

Proxies received in favour of management will be voted FOR the approval of the above Continuance unless a shareholder has specified in the proxy that his or her Common Shares are to be voted against such resolution.

Dissent Rights

Pursuant to Section 309 of the BCBCA, registered shareholders of the Company will be entitled to exercise dissent rights (the “**Dissent Rights**”) with respect to the Continuance Resolution in accordance with the Dissent Rights in the BCBCA. Shareholders who validly exercise their Dissent Rights and do not withdraw their dissent (“**Dissenting Shareholders**”) will be entitled to receive the “fair value” of their Common Shares determined in accordance with the BCBCA as at the day before the Continuance Resolution is adopted by shareholders. If you are an unregistered shareholder, you can only exercise a right of dissent by contacting your broker or other financial intermediary and having them take the necessary steps to exercise dissent on your behalf.

The following summary of the Dissent Rights is not a comprehensive description of the procedures to be followed in connection with the exercise of these Dissent Rights. Reference should be made to sections 237 to 247 of the BCBCA for a complete text of the provisions conferring this right of dissent.

A Dissenting Shareholder who wishes to exercise his or her Dissent Right must give written Notice of Dissent to the Company by depositing such Notice of Dissent with the Company, or by mailing it to the Company by registered mail to 130 Adelaide Street West, Suite 1010, Toronto, Ontario M5H 3P5, marked to the attention of the Corporate Secretary not later than two days before the Meeting. A shareholder who wishes to dissent must prepare a separate Notice of Dissent for (i) the shareholder, if the shareholder is dissenting on its own behalf and (ii) each person who beneficially owns shares in the shareholder's name and on whose behalf the shareholder is dissenting. To be valid, a Notice of Dissent must:

- (a) identify in each Notice of Dissent the person on whose behalf dissent is being exercised;

- (b) set out the number of Common Shares in respect of which the shareholder is exercising the Dissent Right (the "**Notice Shares**"), which number cannot be less than all of the Common Shares held by the beneficial holder on whose behalf the Dissent Right is being exercised;
- (c) if the Notice Shares constitute all of the shares of which the Dissenting Shareholder is both the registered owner and beneficial owner and the Dissenting Shareholder owns no other Common Shares as beneficial owner, a statement to that effect;
- (d) if the Notice Shares constitute all of the shares of which the Dissenting Shareholder is both the registered and beneficial owner but the Dissenting Shareholder owns other Common Shares as beneficial owner, a statement to that effect, and
 - (i) the names of the registered owners of those other shares;
 - (ii) the number of those other shares that are held by each of those registered owners; and
 - (iii) a statement that Notices of Dissent are being or have been sent in respect of all those other shares.
- (e) if dissent is being exercised by the Dissenting Shareholder on behalf of a beneficial owner who is not the Dissenting Shareholder, a statement to that effect, and
 - (i) the name and address of the beneficial owner; and
 - (ii) a statement that the Dissenting Shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the Dissenting Shareholder's name.

The giving of a Notice of Dissent does not deprive a Dissenting Shareholder of his or her right to vote at the Meeting on the Continuance Resolution. A vote against the Continuance Resolution or the execution or exercise of a proxy does not constitute a Notice of Dissent. A Shareholder is not entitled to exercise a Dissent Right with respect to any Common Shares if the Shareholder votes (or instructs or is deemed, by submission of any incomplete proxy, to have instructed his or her proxyholder to vote) in favour of the Continuance Resolution. A Dissenting Shareholder, however, may vote as a proxy for a shareholder whose proxy required an affirmative vote, without affecting his or her right to exercise the Dissent Right.

If the Company intends to act on the authority of the Continuance Resolution, it must send a notice (the "**Notice to Proceed**") to the Dissenting Shareholder promptly after the later of:

- (a) the date on which the Company forms the intention to proceed, and
- (b) the date on which the Notice of Dissent was received.

If the Company has acted on the Continuance Resolution it must promptly send a Notice to Proceed to the Dissenting Shareholder. The Notice to Proceed must be dated not earlier than the date on which it is sent and state that the Company intends to act or has acted on the authority of the Continuance Resolution and advise the Dissenting Shareholder of the manner in which dissent is to be completed.

On receiving a Notice to Proceed, the Dissenting Shareholder is entitled to require the Company to purchase all of the Common Shares in respect of which the Notice of Dissent was given.

A Dissenting Shareholder who receives a Notice to Proceed, and who wishes to proceed with the dissent, must send to the Company within one month after the date of the Notice to Proceed:

- (a) a written statement that the Dissenting Shareholder requires the Company to purchase all of the Notice Shares;
- (b) the certificates representing the Notice Shares; and
- (c) if dissent is being exercised by the Shareholder on behalf of a beneficial owner who is not the Dissenting Shareholder, a written statement signed by the beneficial owner setting out whether the beneficial owner is the beneficial owner of other shares of the Company and if so, setting out:
 - (i) the names of the registered owners of those other shares,
 - (ii) the number of those other share that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares,whereupon the Company is bound to purchase them in accordance with the Notice of Dissent.

The Company and the Dissenting Shareholder may agree on the amount of the payout value of the Notice Shares and in that event, the Company must either promptly pay that amount to the Dissenting Shareholder or send a notice to the Dissenting Shareholder that the Company is unable lawfully to pay Dissenting Shareholders for their shares as the Company is insolvent or if the payment would render the Company insolvent.

If the Company and the Dissenting Shareholder do not agree on the amount of the payout value of the Notice Shares, the Dissenting Shareholder or the Company may apply to the court and the court may:

- (a) determine the payout value of the Notice Shares or order that the payout value of the Notice Shares be established by arbitration or by reference to the registrar or a referee of the court;
- (b) join in the application each Dissenting Shareholder who has not agreed with the Company on the amount of the payout value of the Notice Shares; and
- (c) make consequential orders and give directions it considers appropriate.

Promptly after a determination of the payout value of the Notice Shares has been made, the Company must either pay that amount to the Dissenting Shareholder or send a notice to the Dissenting Shareholder that the Company is unable lawfully to pay Dissenting Shareholders for their shares as the Company is insolvent or if the payment would render the Company insolvent. If the Dissenting Shareholder receives a notice that the Company is unable to lawfully pay Dissenting Shareholders for their shares, the Dissenting Shareholder may, within 30 days after receipt, withdraw his or her Notice of Dissent. If the Notice of Dissent is not withdrawn, the Dissenting Shareholder remains a claimant against the Company to be paid as soon as the Company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Company but in priority to its shareholders.

Any notice required to be given by the Company or a Dissenting Shareholder to the other in connection with the exercise of the Dissent Right will be deemed to have been given and received, if delivered, on the day of delivery, or, if mailed, on the earlier of the date of receipt and the second business day after the day of mailing, or, if sent by telecopier or other similar form of transmission, the first business day after the date of transmittal.

A Dissenting Shareholder who:

- (a) properly exercises the Dissent Right by strictly complying with all of the procedures (“**Dissent Procedures**”) required to be complied with by a Dissenting Shareholder, will cease to have any rights as a Shareholder other than the right to be paid the fair value of the common shares by the Company in accordance with the Dissent Procedures, or

- (b) seeks to exercise the Dissent Right, but who for any reason does not properly comply with each of the Dissent Procedures required to be complied with by a Dissenting Shareholder loses such right to dissent.

A Dissenting Shareholder may not withdraw a Notice of Dissent without the consent of the Company. A Dissenting Shareholder may, with the written consent of the Company, at any time prior to the payment to the Dissenting Shareholder of the full amount of money to which the Dissenting Shareholder is entitled, abandon such Dissenting Shareholder's dissent to the Continuance by giving written notice to the Company, withdrawing the Notice of Dissent, by depositing such notice with the Company, or mailing it to the Company by registered mail, at its head office at 130 Adelaide Street West, Suite 1010, Toronto, Ontario M5H 3P5, marked to the attention of the Corporate Secretary.

Shareholders who intend to exercise Dissent Rights should seek legal advice and carefully consider and comply with the provisions of the Dissent Rights. Failure to comply with the applicable Dissent Rights provisions and to adhere to the procedures established therein may result in the loss of the Dissent Rights in respect of the Continuance Resolution. Dissenting Shareholders must send any written objections in respect of the Continuance Resolution pursuant to the Dissent Rights to the Company by registered mail to Wamco Technology Group Ltd., 130 Adelaide Street West, Suite 1010, Toronto, Ontario M5H 3P5, Attention: Corporate Secretary by no later than 5:00 p.m. (Pacific time) on Thursday June 30, 2011. Shareholders should be aware that simply voting against the Continuance Resolution at the Meeting does not constitute the exercise of Dissent Rights.

5. ADOPTION OF NEW BY-LAW NO. 1-2011

In conjunction with the Continuance, the shareholders will be requested to approve the adoption of a new by-law, By-Law No. 1-2011, under the OBCA in place of the existing by-law under the BCBCA. By-Law No. 1-2011, by its terms, repeals all previous by-laws of the Company. The full text of the By-Law 1-2011 is attached as Exhibit "IV" to the Notice of Meeting which accompanies this Circular.

By-Law No. 1-2011 is standard in its form and governs all aspects of the business and affairs of the Company, such as the establishment of a quorum for meetings of directors and shareholders, the conduct of such meeting, signing authorities, the appointment of officers, the description of the officers' duties, the establishment of committees of the Board, the authority of persons to contract on behalf of the Company and similar matters.

By-Law No. 1-2011 was effective as a by-law of the Company upon its making by the Board on June 8, 2011 subject to confirmation by the shareholders. In order to confirm By-Law No. 1-2011, at least a majority of the votes cast at the meeting by holders of Common Shares must be voted in favour of the resolution confirming the same. In the event that the shareholders do not confirm By-Law No. 1-2011, the Company will continue to operate under the provisions of its present by-laws.

Proxies received in favour of management will be voted FOR the approval of the resolution confirming By-Law No. 1-2011, unless a shareholder has specified in the proxy that his or her Common Shares are to be voted against such resolution.

6. AMENDMENT TO ARTICLES

Shareholders of the Company are being asked to pass the special resolution, the text of which is annexed as Exhibit "II" to the Notice of Meeting which accompanies this Circular, which would authorize the Company to amend its memorandum and articles by:

- (i) increasing the authorized capital of the Company by the creation of an unlimited number of Common Shares;
- (ii) decreasing the authorized capital of the Company by cancelling the preferred shares of the Company;
- (iii) increasing the authorized capital of the Company by the creation of an unlimited number of special shares, issuable in series;

- (iv) providing for a minimum of three and a maximum of nine directors of the Company;
- (v) consolidating each of the issued and outstanding Common Shares by changing each three (3) Common Shares into one (1) Common Share (1:3);
- (vi) changing the name of the Company to such name as the directors of the Company may determine and may be acceptable to applicable regulatory authorities;
- (vii) restricting the right of shareholders to dissent in certain circumstances.

The presently issued and outstanding 8,741,954 Common Shares will be consolidated into approximately 2,913,985 Common Shares. If the consolidation would otherwise result in a shareholder holding a fraction of a share, no fraction or fractional certificate will be issued and such shareholder will not receive Common Shares for each such fraction held. In all other respects, the post-consolidated Common Shares will have the same attributes as the existing Common Shares.

In order to pass the special resolution amending the Company's memorandum and articles, at least two thirds of the votes cast at the meeting of the holders of Common Shares must be voted in favour of the resolution. If the resolution amending the memorandum and articles does not receive the requisite shareholder approval, the Company will continue with its present share capital, number of directors and name.

Proxies received in favour of management will be voted FOR the approval of the above amendment to the memorandum and articles of the Company, unless a shareholder has specified in the proxy that his or her Common Shares are to be voted against such resolution.

7. ESTABLISHMENT OF STOCK OPTION PLAN

The current stock option plan of the Company (the "**Current Plan**") is a fixed plan under which up to 820,000 Common Shares may be issued on the exercise of stock options. The Company wishes to adopt a "rolling" stock option plan (the "**New Plan**") whereby a maximum of 10% of the issued and outstanding Common Shares, from time to time, may be reserved for issuance pursuant to the exercise of options.

The purpose of the New Plan is to encourage Common Share ownership in the Company by directors, senior officers, employees and consultants of the Company and its affiliates and other designated persons. Options may be granted under the New Plan only to directors, senior officers, employees and consultants of the Company and its subsidiaries and other designated persons as designated from time to time by the Board. The number of Common Shares which may be reserved for issuance under the New Plan is limited to 10% of the issued and outstanding Common Shares as at the date of the grant of options. Stock options granted can be exercisable for a maximum of ten years from the date of grant.

The maximum number of Common Shares which may be reserved for issuance to any one individual during any 12 month period under the New Plan is 5% of the Common Shares. In addition, the maximum number of Common Shares which may be reserved for issuance to any consultant of the Company during any 12 month period under the New Plan is 2% of the Common Shares. The maximum number of Common Shares which may be reserved for issuance to employees conducting investor relations activities during any 12 month period under the New Plan is 2% of the aggregate number of Common Shares. Stock options granted to any optionee who is a director, employee, consultant management company employee must expire within a reasonable period following the date the optionee ceases to be in that role.

Any Common Shares subject to an option which for any reason is cancelled or terminated prior to exercise will be available for a subsequent grant under New Plan. The option price of any Common Shares cannot be less than the closing price of the Common Shares on the day immediately preceding the day upon which the option is granted, less any discount permitted by the policies of a Canadian stock exchange upon which the Common Shares are listed. The options are non-assignable and non-transferable. Options granted under the New Plan can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the New Plan or within a reasonable period (set by the Board in each case) after ceasing to be an eligible optionee, or, if the optionee dies, within one year from the date of the optionee's death. On the occurrence of a takeover bid, issuer bid or going private

transaction, the Board will have the right to accelerate the date on which any option becomes exercisable. The New Plan contains provisions for adjustment in the number of Common Shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the Company's capitalization.

Subject to shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the New Plan or may terminate the New Plan at any time. The New Plan does not contain any provision for financial assistance by the Company in respect of options granted under the New Plan.

Shareholders are being asked to approve and confirm the action of the Board in establishing the New Plan. In order to confirm and approve the New Plan a majority of votes cast at the Meeting must be voted in favour of the New Plan.

Proxies received in favour of management will be voted FOR the approval of establishment of the New Plan unless a shareholder has specified in the proxy that his or her Common Shares are to be voted against such approval.

8. NUMBER OF DIRECTORS

The OBCA provides that where a minimum and maximum number of directors of a corporation is provided for in its articles (as in the case of the Company's Articles), the number of directors of the corporation and the number of directors to be elected at the annual meeting of shareholders shall be such number as shall be determined from time to time by special resolution. Alternatively, if the special resolution empowers the directors to determine the number of directors, the number of directors shall be such number as shall be determined by resolution of the directors.

Shareholders are being asked to consider and, if deemed advisable, pass, with or without variation, a special resolution determining that the number of directors of the Company and the number of directors to be elected at the meeting of shareholders shall be and empowering the directors of the Company to determine the number of directors within the minimum and maximum number set out in the current articles of the Company (being a minimum of 3 directors if the Company is a reporting issuer and a maximum of 20 directors), by resolution of the directors. The text of the special resolution to be proposed at the Meeting is attached as Exhibit "I" to the Notice of Meeting which accompanies this Circular.

Empowering the directors to determine the number of directors within the minimum and maximum range will permit management of the Company to offer seats on the board of directors of the Company to qualified and interested individuals without the delay and expense of seeking shareholder approval to an increase in the size of the board of directors or alternatively without requesting an incumbent director to resign in order to create a vacancy.

In order to pass the resolution, at least two thirds of the votes cast at the Meeting by holders of Common Shares must be voted in favour of such resolution. **Proxies received in favour of management will be voted FOR the foregoing special resolution, unless a shareholder has specified in the proxy that his or her Common Shares are to be voted against such resolution.**

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Named Executive Officers ("NEOs"), as defined in National Instrument 51-102F6 – *Statement of Executive Compensation*, include the CEO, CFO and each of the three most highly compensated individuals acting in a similar capacity during the financial year whose total compensation was, individually, more than \$150,000. The Company currently has the following NEO: Joseph Whipple, President, Chief Executive Officer and Chief Financial Officer.

The following is a general discussion of the significant elements of compensation to the NEOs for the most recently completed financial year. As tabulated below the normal compensation elements consist of a base salary, options to purchase common shares of the Company, bonuses, if applicable.

The objective of the compensation strategy is to attract, retain and award the team of NEOs to accomplish the broader objectives of the Company. These corporate objectives are focused on the successful development of the Company's properties. The compensation program is designed to enhance the Company's success at meeting this objective.

Prior to setting compensation levels the Board, through the use of compensation consultants and personal knowledge, reviews market conditions for the management group and in particular the specific tasks at hand for the NEOs.

Long Term Compensation

The Company provides a long-term incentive by granting options to executive officers under the Current Plan. The objective of granting options is to encourage executives to acquire an ownership interest in the Company over a period of time, which acts as a financial incentive for such executive to consider the long-term interests of the Company and its shareholders.

Compensation Summary

The table below sets forth information concerning the compensation paid, awarded or earned by each of the NEOs for services rendered in all capacities to the Company during the three most recently completed fiscal year ends.

Summary Compensation Table

NEO Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-Equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans ⁽¹⁾			
Joseph Whipple President, CEO and CFO	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) "LTIP" or "long term incentive plan" means any plan that provides compensation intended to motivate performance to occur over a period greater than one fiscal year, but does not include option or share-based awards.

Long-term Incentive Plan (LTIP) Awards

The Company currently has no Long-term Incentive Plans, other than stock options granted from time to time by the Board under the provisions of the Current Plan.

Incentive Plan Awards

During the financial year ended December 31, 2010, no options to purchase or acquire securities of the Company were granted to the NEOs.

Stock Appreciation Rights and Restricted Shares

No stock appreciation rights or restricted shares of the Company were granted by the Company during the year ended December 31, 2010.

Employment Contracts

There are currently no employment agreements in place between the Company and any NEO.

Pension and Retirement Plans

The Company does not have any pension or retirement plans that provide for payment or benefits at, following, or in connection with retirement or provide for retirement or deferred compensation plans.

Termination and Change of Control Benefits

The Company has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a NEO, in connection with or related to the retirement, termination or resignation of such person and the Company has provided no compensation to such persons as a result of a change of control of the Company, its subsidiaries or affiliates.

Compensation of Directors

Directors of the Company do not receive any compensation for attending meetings of the Board, committees of the Board and shareholders of the Company. Other than stock options to purchase common shares which are granted to the Company's directors from time to time, the Company does not have any arrangements pursuant to which directors are remunerated by the Company or any of its subsidiaries for their services in their capacities as directors, consultants or experts.

Director Compensation Table

The following table describes director compensation for non-executive directors for the year ended December 31, 2010.

COMPENSATION OF DIRECTORS ⁽¹⁾⁽²⁾				
Name	Fees earned (\$)	Option-based awards ⁽³⁾ (\$)	All other compensation (\$)	Total compensation (\$)
David Galbraith	Nil	Nil	Nil	Nil
Douglas Branter	Nil	Nil	Nil	Nil
Stephen Dunn	Nil	Nil	Nil	Nil
Gary Whipple	Nil	Nil	Nil	Nil

Notes:

(1) Table does not include any amount paid as reimbursement for expenses.

(2) Compensation paid to the NEOs who served as directors of the Company is disclosed in the Summary Compensation Table. See "Executive Compensation".

Long-term Incentive Plan (LTIP) Awards

The Company currently has no Long-term Incentive Plans, other than stock options granted from time to time by the Board under the provisions of the Current Plan.

Incentive Plan Awards

During the financial year ended December 31, 2010, no options to purchase or acquire securities of the Company were granted to the independent directors of the Company.

Stock Appreciation Rights and Restricted Shares

No stock appreciation rights or restricted shares of the Company were granted by the Company to the independent directors of the Company during the year ended December 31, 2010.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of the Company's equity compensation plans under which equity securities of the Company are authorized for issuance, aggregated in accordance with all equity plans previously approved by the shareholders of the Company and all equity plans not approved by the shareholders of the Company as at December 31, 2010.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (#)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (\$)	Number of Securities remaining available for Future Issuance under Equity Compensation Plans (#)
Equity compensation plans approved by securityholders	Nil	Nil	820,000 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	27,196 ⁽²⁾
Total	Nil	Nil	847,196

Notes:

- (1) *The Current Plan is a fixed stock option plan under which up to 820,000 Common Shares may be issued on the exercise of stock options.*
- (2) *Shareholders are being asked to approve the New Plan at the Meeting. The New Plan is a "rolling" stock option plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the New Plan will not exceed 10% of the issued Common Shares at the time of the stock option grant. As at December 31, 2010, 847,196 Common Shares could have been reserved for issuance pursuant to the New Plan.*

AGGREGATE INDEBTEDNESS

As of the date hereof and during the fiscal period ended December 31, 2010 there was no indebtedness owing to the Company in connection with the purchase of securities or other indebtedness by any current or former executive officers, directors, employees of the Company.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As of the date hereof, there was no indebtedness owing to the Company by any individuals who at any time during the fiscal period ended December 31, 2010 were directors, executive officers or senior officers of the Company or associates of the foregoing. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the best of the knowledge of the directors and officers of the Company, none of the directors or officers of the Company, proposed nominees for election as directors, or any of their associates or affiliates had any direct or indirect interest in any material transactions of the Company or any of its subsidiaries entered into since the beginning of the fiscal year ended December 31, 2010, or any matter to be acted upon at the Meeting.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 (*Disclosure of Corporate Governance Practices*) ("**NI 58-101**") requires the Company to disclose its corporate governance practices by providing in this Circular the disclosure required by Form 58-101F2. National Policy 58-201 (*Corporate Governance Guidelines*) ("**NP 58-201**") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations.

Board of Directors

The Company is asking shareholders to elect a board of directors comprised of four (4) directors. NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as "independent" directors under Multilateral Instrument 52-110 ("MI 52-110"), which provides that a director is independent if he or she has no direct or indirect "material relationship" with the company. "Material relationship" is defined as a relationship which could, in the view of the company's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment. Of the proposed nominees: Joseph Whipple, President, Chief Executive Officer and Chief Financial Officer is "inside" or a management director and accordingly is considered not "independent". Each of the remaining three (3) proposed directors are considered by the Board to be "independent", within the meaning of MI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

Directorships

The following table sets forth the directors of the Company who currently hold directorships with other reporting issuers:

Name of Director	Reporting Issuer
Stephen Dunn	Crown Gold Corporation
John Cullen	Southeast Asia Mining Corp.; Victory Gold Mines Inc., CGX Energy Inc., and Hy Lake Gold Inc.
James Fairbairn	Crown Gold Corporation; Trelawney Mining and Exploration Inc.; Canada Lithium Corp.; Schyan Exploration Inc.

Orientation and Continuing Education

The Board does not have a formal orientation or education program for its members. The Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities' law matters. Additionally, historically board members have been nominated who are familiar with the Company and the nature of its business.

Ethical Business Conduct

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct; but does promote ethical business conduct through the nomination of board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having a majority of its board members independent of corporate matters.

Nomination of Directors

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

Currently the Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors, its committees, including reviewing the Board's decision-making processes and the quality of information provided by management, and among other things:

- overseeing strategic planning;
- monitoring the performance of the Company's assets;
- evaluating the principal risks and opportunities associated with the Company's business and overseeing the implementation of appropriate systems to manage these risks;
- approving specific acquisitions and divestitures;
- evaluating senior management; and
- overseeing the Company's internal control and management information systems.

AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER

MI 52-110 requires that certain information regarding the Audit Committee of an issuer be included in the management information circular sent to shareholders in connection with the issuer's annual meeting.

Audit Committee Charter

The full text of the charter of the Company's Audit Committee is attached hereto as Schedule "A".

Composition of the Audit Committee

The current members of the Audit Committee are David Galbraith, Gary Whipple and Stephen Dunn, each of whom is a director, financially literate and is considered by management to be independent in accordance with sections 1.4 and 1.5 of MI 52-110. Upon the recomposition of the Board at the Meeting, it is expected that a new Audit Committee will be formed.

Relevant Education and Experience

The relevant education and/or experience of each member of the Audit Committee is as follows:

David Galbraith: David Galbraith has a degree in economics and over 6 years experience working for the Province of British Columbia's, Ministry of Finance, Treasury Board Staff. As a director at Treasury Board Staff he was responsible for preparing the government's annual Budget and Three-Year Fiscal Plan, Estimates, economic forecasts, Quarterly Reports/forecasts and the Budget Consultation document. These all have to be compliant with GAAP.

Gary Whipple: Gary Whipple is the general manager of Ready Mix. He is responsible for the creation and review of monthly, quarterly and annual financial statements (compliant with GAAP) for a company doing \$24 million in sales with \$18 million in assets. He is also responsible for reviewing business cases for new operations.

Stephen Dunn: Stephen Dunn was Vice-President Manulife from 2000 to 2007. He also served as Director Portfolio Strategy for CIBC. In these roles he was required to review business cases, and company financial statements for company investment purposes. He also has an MBA from the University of Western Ontario.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

**Reliance on Exemptions in MI 52-110 regarding
De Minimis Non-audit Services or on a Regulatory Order Generally**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of MI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of MI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of MI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

Audit Fees

The following table provides detail in respect of audit, audit related, tax and other fees billed to the Company by the external auditor for professional services:

	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
Year ended December 31, 2010	\$7,000	Nil	Nil	Nil
Year ended December 31, 2009	\$8,000	Nil	\$95	\$1,600

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice and advice related to relocating employees.

STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides security holders of the Company with, in addition to any other rights that they may have at law, rights of rescission or to damages, or both, if there is a misrepresentation in a circular or a notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. The Company's security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Securityholders may contact the Company in order to request copies of the Company's consolidated financial statements. Financial information about the Company may be found in the Company's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

APPROVAL AND CERTIFICATE

The contents and the sending of this Circular have been approved by the Board. 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 at Toronto, Ontario, this 8th day of June, 2011.

"Joseph Whipple" (Signed)

Joseph Whipple
President & Chief Executive Officer

SCHEDULE “A”
Charter of the Audit Committee

AUDIT COMMITTEE’S CHARTER

ELECTION

The Audit Committee shall be composed of a minimum of three (3) outside directors, appointed by the Board of Directors and who shall exercise their duties until the next annual general meeting of shareholders or until their successors have been chosen and appointed.

VACANCIES

In the event of a vacancy in the committee, the Board of Directors may appoint a new member to fill the vacancy of the committee.

MEETINGS

The meetings of the committee may be held at the head office of the Corporation or at such other place that the committee may determine from time to time. Meetings of the committee may be held at all times on the call of any member of the committee. At the request of the President & Chief Executive Officer or the Chairman of the Board, the Chairman of the committee shall hold a meeting of the committee to address any question that, in the opinion of the President & Chief Executive Officer or the Chairman of the Board, should be put to the attention of the committee.

CHAIRPERSON

The Audit Committee shall appoint a chairperson who shall be responsible for preparing an agenda and reporting to the Board of Directors at the next meeting of the Board of Directors or earlier, if required under the circumstances.

QUORUM

The quorum for the committee shall be a simple majority of the members.

PROCEDURES

The procedures for the committee shall be similar to those followed by the Board of Directors. The minutes of the meetings of the committee shall be kept in a minute book and made available for review by the directors of the Corporation.

MANDATE

The committees shall exercise all the rights and prerogatives granted to them by the Board of Directors. They shall report to the Board of Directors without interference from management or shareholders. They may call upon outside legal counsel or accountants or any other expert required to complete a specific mandate or where there is a suspicion of wrongdoing and arrange the compensation to be paid to such consultant. Any single committee member shall be empowered to call a special meeting of the Board of Directors in the event of any wrongdoing, whether factual or perceived.

REMUNERATION

The members of the committee shall be remunerated for their services as determined by the Board of Directors.

CHARTER & ORGANIZATION

The committee shall be appointed by the Board of Directors and shall comprise at least three directors, a majority of who shall be independent of management and the Corporation. Members of the committee shall be considered independent if they have no relationship that may interfere with the exercise of their independence from management and the Corporation. All committee members shall be financially literate and at least one member shall have accounting or related financial management expertise. Financial literacy can be defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer’s financial statements.

STATEMENT OF POLICY

The Audit Committee shall provide assistance to the Board of Directors in fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to the Corporation's financial statements and the financial reporting process, the systems of internal accounting and financial controls, the internal control systems and the annual independent audit of the Corporation's financial statements. In so doing, it is the responsibility of the committee to maintain free and open communication between the committee, the independent auditors, and management of the Corporation. In discharging its oversight role, the committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Corporation, and the power to retain outside counsel, or other experts for this purpose.

RESPONSIBILITIES AND PROCESSES

The primary responsibility of the Audit Committee is to oversee the Corporation's financial reporting process on behalf of the Board and report the results of their activities to the Board. Management is responsible for preparing the Corporation's financial statements, and the independent auditors are responsible for auditing those financial statements. The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances. The committee should take the appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behavior.

The following shall be the principal recurring processes of the Audit Committee in carrying out its oversight responsibilities. The processes are set forth as a guide with the understanding that the committee may supplement them as appropriate.

- The committee must be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between Management and the external auditor regarding financial reporting. The committee shall have a clear understanding with management and the independent auditors that the independent auditors are ultimately accountable to the Board and the Audit Committee, as representatives of the Corporation's shareholders. The committee shall have the ultimate authority and responsibility to evaluate and, where appropriate, recommend the replacement of the independent auditors. The committee shall discuss with the auditors their independence from management and the Corporation and the matters included in the written disclosures. The committee must also review and approve the issuer's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer. Annually, the committee shall review and recommend to the Board the selection of the Corporation's independent auditors, subject to shareholders' approval, as well as the compensation to be paid to such auditors.
- The committee shall discuss with the independent auditors the overall scope and plans for their audit including the adequacy of staffing and compensation. Also, the committee shall discuss with management, and the independent auditors, the adequacy and effectiveness of the accounting and financial controls, including the Corporation's system to monitor and manage business risk, and legal and ethical compliance programs. Further, the committee shall meet separately with the independent auditors, with and without management present, to discuss the results of their examinations.
- The committee must review the issuer's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information and must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the issuer's financial statements, other than the public disclosure hereinbefore mentioned, and must periodically assess the adequacy of those procedures. Also, the committee shall discuss the results of the quarterly review and any other matters required to be communicated to the committee by the independent auditors under generally accepted auditing standards. The Chair of the committee may represent the entire committee for the purposes of this latter review.
- The committee shall review with management and the independent auditors the financial statements to be included in the Corporation's Annual Report, including their judgment about the quality, not just

acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. The committee shall discuss the results of the annual audit and any other matters required to be communicated to the committee by the independent auditors under generally accepted auditing standards.

- The committee shall review every year the insurance program of the Corporation.
- The committee must establish procedures for (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
- The committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor. The Audit Committee satisfies the pre-approval requirement if:
 - (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Corporation and its subsidiary entities to the Corporation's external auditor during the fiscal year in which the services are provided;
 - (b) the Corporation or its subsidiary entities, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - (c) the services are promptly brought to the attention of the Audit Committee of the Corporation and approved, prior to the completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Audit Committee.

The Audit Committee may delegate to one or more independent members the authority to preapprove non-audit services. The pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the Audit Committee at its first scheduled meeting following such pre-approval.