

CANADIAN IMPERIAL VENTURE CORP.
INFORMATION CIRCULAR
(as at September 23, 2011, unless indicated otherwise)

SOLICITATION OF PROXIES

This information circular (the “Circular”) is provided in connection with the solicitation of proxies by the management of Canadian Imperial Venture Corp. (the “Company”) for use at the annual and special general meeting of the shareholders of the Company (the “Shareholders”) to be held on Monday, October 24, 2011 (the “Meeting”), at the time and place and for the purposes set out in the accompanying notice of meeting and at any adjournment thereof. The solicitation will be made by mail and may also be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company will bear the cost of this solicitation. The Company will not reimburse Shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy.

APPOINTMENT AND REVOCATION OF PROXY

Registered Shareholders

Registered Shareholders may vote their common shares (“Shares”) by attending the Meeting in person or by completing the enclosed proxy. Registered Shareholders should deliver their completed proxies to Computershare Trust Company of Canada, 9th Floor - 100 University Avenue, Toronto, Ontario M5J 2Y1 (by mail, telephone or internet according to the instructions on the proxy), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, otherwise the Shareholder will not be entitled to vote at the Meeting by proxy.

The persons named in the proxy are directors and officers of the Company and are proxyholders nominated by management. **A Shareholder has the right to appoint a person other than the nominees of management named in the enclosed instrument of proxy to represent the Shareholder at the Meeting. To exercise this right, a Shareholder must insert the name of its nominee in the blank space provided. A person appointed as a proxyholder need not be a shareholder of the Company.**

A registered Shareholder may revoke a proxy by (A) signing a proxy with a later date and delivering it at the place and within the time noted above; (B) signing and dating a written notice of revocation (in the same manner as the proxy is required to be executed, as set out in the notes to the proxy) and delivering it to the registered office of the Company, Suite 1000, 840 Howe Street, Vancouver, British Columbia, V6Z 2M1, 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 to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; (C) attending the Meeting or any adjournment thereof and registering with the scrutineer as a Shareholder present in person, whereupon such proxy shall be deemed to have been revoked; or (D) in any other manner provided by law.

Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as many Shareholders do not hold their shares in the Company in their own name. Shareholders holding their shares through banks, trust companies, securities dealers or brokers, trustees or administrators of self-administered RRSP’s, RRIF’s, RESP’s and similar plans or other persons (any one of which is herein referred to as an “Intermediary”) or otherwise not in their own name (such Shareholders herein referred to as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders appearing on the records maintained by the Company’s transfer agent as registered Shareholders will be recognized and allowed to vote at the Meeting. If a Shareholder’s shares are listed in an account statement provided to the Shareholder by a broker, in all likelihood those shares are **not** registered in the Shareholder’s name

and that Shareholder is a Beneficial Shareholder. Such shares are most likely registered in 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 for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the Meeting 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 party well in advance of the Meeting.**

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Company (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Company (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the notice of meeting, this Circular and a request for voting instructions (a "VIF"), instead of a proxy (the notice of Meeting, Circular and VIF or proxy are collectively referred to as the "Meeting Materials") directly to the NOBOs and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered Shareholder) how to vote the Beneficial Shareholder's shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("Broadridge") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through an Intermediary, please contact that Intermediary for assistance.

In either case, the purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the shares which they beneficially own. **A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

Only registered Shareholders have the right to revoke a proxy. A Beneficial Shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its Intermediary to revoke its VIF on its behalf.

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.

The Meeting Materials are being sent to both registered and non-registered owners of the Company's shares. If you are a Beneficial Shareholder and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of the Company's securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (A) delivering the Meeting Materials to you and (B) executing your proper voting instructions. Please return your voting instructions as specified in the VIF.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

If a Shareholder specifies a choice with respect to any matter to be acted upon, the shares represented by proxy will be voted or withheld from voting by the proxyholder in accordance with those instructions on any ballot that may be called for. In the enclosed form of proxy, in the absence of any instructions in the proxy, it is intended that such shares will be voted by the proxyholder, if a nominee of management, in favour of the motions proposed to be made at the meeting as stated under the headings in the notice of meeting accompanying this Circular. If any amendments or variations to such matters, or any other matters, are properly brought before the Meeting, the proxyholder, if a nominee of management, will exercise its discretion and vote on such matters in accordance with its best judgment.

The instrument of proxy enclosed, in the absence of any instructions in the proxy, also confers discretionary authority on any proxyholder other than the nominees of management named in the instrument of proxy with respect to the matters identified herein, amendments or variations to those matters, or any other matters which may properly be brought before the Meeting. To enable a proxyholder to exercise its discretionary authority a Shareholder must strike out the names of the nominees of management in the enclosed instrument of proxy and insert the name of its nominee in the space provided, and not specify a choice with respect to the matters to be acted upon. This will enable the proxyholder to exercise its discretion and vote on such matters in accordance with its best judgment.

At the time of printing this Circular, management of the Company is not aware that any amendments or variations to existing matters or new matters are to be presented for action at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of September 23, 2011 (the "Record Date"), the Company has 513,588,361 Shares outstanding. All Shares are of the same class and each carries the right to one vote. Only those Shareholders of record on the Record Date are entitled to attend and vote at the Meeting.

To the knowledge of the directors and executive officers, as of the date of this Circular, there are no persons that beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the Shares.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Circular. **The management of the Company does not contemplate that any of the nominees will be unable to serve as a director. If any vacancies occur in the slate of nominees listed below before the Meeting, management will exercise discretion to vote the proxy for the election of any other person or persons as directors.**

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company and its subsidiaries which each beneficially owns directly or indirectly or over which control or direction is exercised as of the date of the notice of meeting:

Name, country of residence and office held	Principal occupation in the last five years	Director since	Number of common shares beneficially owned
Gerard Edwards ⁽¹⁾ Newfoundland & Labrador, Canada Director, President and Chief Executive Officer	CEO, Canadian Imperial Venture Corp.	May 14, 1999	18,401,083
Robert G. Smiley ⁽¹⁾⁽²⁾ British Columbia, Canada Director and Chairman of the Board	Business Consultant	May 14, 1999	50,000
Jerome Byrne ⁽¹⁾⁽²⁾ Newfoundland and Labrador, Canada Director	Past President & CEO, DFB Group / currently Business Consultant	November 2, 2007	150,000
D. Samuel Walters Newfoundland and Labrador, Canada Director	Business Consultant	July 4, 2011	Nil

⁽¹⁾ Members of the audit committee.

⁽²⁾ Members of the compensation committee.

No proposed director of the Company

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
- (i) was the subject of a cease trade, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to a cease trade, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days after the proposed director was acting in the capacity as director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the 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;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Interpretation

“Named executive officer” (“NEO”) means (A) a Chief Executive Officer (“CEO”); (B) a Chief Financial Officer (“CFO”); (C) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (D) each individual who would be an NEO under paragraph (C) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

The NEOs who are the subject of this Compensation Discussion and Analysis are Steven M. Millan (President, Chairman of the Board and CEO as of November 30, 2010) and Gerard M. Edwards (CFO as of November 30, 2010).

Executive Compensation Program Objectives

The objectives of the Company’s executive compensation program are (A) to attract, retain and motivate talented executives who create and sustain the Company’s continued success; (B) to align the interests of the Company’s executives with the interests of the Shareholders; and (C) to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Company is a Canadian-based energy company involved in oil and gas exploration and development and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Company to be appropriate in the evaluation of the performance of the NEOs.

Purpose and Scope of the Executive Compensation Program

The Company’s executive compensation program has been designed to reward executives for reinforcing the Company’s business objectives and values, for achieving the Company’s performance objectives and for their individual performances.

The executive compensation program consists solely of stock option incentives (“Options”).

Purpose of the Executive Compensation Program

Options are generally awarded to NEOs on an annual basis based on performance measured against set objectives. The granting of Options upon hire aligns NEOs’ rewards with an increase in Shareholder value over the long term. The use of Options encourages and rewards performance by aligning an increase in each NEO’s compensation with increases in the Company’s performance and in the value of the Shareholders’ investments.

Determination of the Amount of the Executive Compensation Program
Compensation Committee

Compensation of the NEOs of the Company, other than that of the CEO, is reviewed annually by the CEO, who makes recommendations to the Compensation Committee. During the most recently completed financial year, the members of the Compensation Committee were Robert Smiley and Jerome Byrne. The Compensation Committee reviews the recommendations of the CEO and makes its own recommendations to the Board of Directors of the Company (the “Board”), which approves the compensation of the NEOs based on the recommendations of the Compensation Committee. Compensation for the CEO is reviewed annually by the Compensation Committee, which then makes recommendations to the Board. The Board approves the base salary of each NEO based on the recommendations of the Compensation Committee.

Stock Options

The Company has established a formal plan (the “Plan”) under which Options are granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved Shareholder value. The Board, based on recommendations of the Compensation Committee where appropriate, determines which NEOs (and other persons) are entitled to participate in the Plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price. For further information regarding the Plan refer to “*Particulars of Matters to be Acted On – Stock Option Plan*”.

The Board makes these determinations subject to the provisions of the Plan and, where applicable, the policies of the TSX Venture Exchange. Previous grants of option-based awards are taken into account when considering new grants.

Link to Overall Compensation Objectives

The granting of Options has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Summary Compensation Table

The following table presents information concerning all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, to NEOs by the Company and its subsidiaries for services in all capacities to the Company during the most recently completed financial year:

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			
Steven Millan, Director, President, Chairman and CEO	2010 2009	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	144,000 ⁽¹⁾ 144,000 ⁽¹⁾	144,000 144,000
Gerard M. Edwards, Director and CFO	2010 2009	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	60,000 ⁽²⁾ 60,000 ⁽²⁾	60,000 60,000

⁽¹⁾ Pursuant to a management services agreement dated July 1, 2006, among Mr. Millan, a management services company wholly owned by Mr. Millan and the Company, Mr. Millan performed his duties as President, Chairman and CEO of the Company through the management services company for consideration of \$10,000 per month. This agreement was for a term of two years and was replaced by a similar agreement dated July 1, 2008, pursuant to which consideration increased to \$12,000 per month. Mr. Millan resigned as President, Chairman and CEO of the Company effective February 8, 2011. Mr. Millan is currently a member of the CIVC Advisory Board.

⁽²⁾ Pursuant to a management services agreement dated July 1, 2006, among Mr. Edwards, a management services company wholly owned by Mr. Edwards and the Company, Mr. Edwards performed his duties as CFO of the Company through the management services company for consideration of \$5,000 per month. This agreement was for a term of two years and was replaced by a similar agreement dated July 1, 2008, pursuant to which consideration remained at \$5,000 per month. Mr. Edwards is currently CIVC's President and CEO.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Steven Millan	3,300,000	0.10	December 14, 2014	N/A	Nil	N/A
	2,000,000	0.10	March 3, 2013	N/A		
	2,333,333	0.10	September 11, 2012	N/A		
	1,700,000	0.15	April 7, 2011	N/A		
Gerard M. Edwards	3,300,000	0.10	December 14, 2014	N/A	Nil	N/A
	2,000,000	0.10	March 3, 2013	N/A		
	2,333,333	0.10	September 11, 2012	N/A		
	1,700,000	0.15	April 7, 2011	N/A		

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for each NEO during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Steven Millan	Nil	Nil	Nil
Gerard M. Edwards	Nil	Nil	Nil

Pension Plan Benefits – Defined Benefits Plan

The Company does not have a Defined Benefits Pension Plan.

Pension Plan Benefits – Defined Contribution

The Company does not have a Defined Contribution Pension Plan.

Termination and Change of Control Benefits

During the most recently completed financial year there were no employment contracts, agreement, plans or arrangements for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEO’s responsibilities.

Director Compensation

Director Compensation Table

The following table sets forth information with respect to all amounts of compensation provided to the directors of the Company for the most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Kirby C. Mercer	Nil	Nil	Nil	Nil	Nil	60,000 ⁽¹⁾	60,000
Robert G. Smiley	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Jerome Byrne	Nil	Nil	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ Pursuant to a management services agreement dated July 1, 2006, among Mr. Kirby Mercer, a management services company wholly owned by Mr. Mercer and the Company, Mr. Mercer performed his duties as Vice President and Secretary of the Company through the management services company for consideration of \$5,000 per month. This agreement was replaced by a similar agreement dated July 1, 2008, pursuant to which consideration remained at \$5,000 per month. Mr. Mercer resigned from his position as a director, Vice President and Corporate Secretary of the Company effective February 25, 2011.

Share-Based Awards, Options-Based Awards and Non-Equity Incentive Plan Compensation Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Kirby C. Mercer ⁽¹⁾	3,300,000	0.10	December 14, 2014	N/A	Nil	N/A
	2,000,000	0.10	March 3, 2013	N/A		
	2,333,333	0.10	September 11, 2012	N/A		
	1,700,000	0.15	April 7, 2011	N/A		
Robert G. Smiley	1,600,000	0.10	December 14, 2014	N/A	Nil	N/A
	2,000,000	0.10	March 3, 2013	N/A		
	1,125,000	0.10	September 11, 2012	N/A		
	550,000	0.15	April 7, 2011	N/A		
Jerome Byrne	1,600,000	0.10	December 14, 2014	N/A	Nil	N/A
	1,000,000	0.10	March 3, 2013	N/A		

⁽¹⁾ Mr. Mercer resigned from his position as a director, Vice President and Corporate Secretary of the Company effective February 25, 2011. Mr. Mercer's stock options remain in effect for one year from date of resignation.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table presents information concerning value vested with respect to option-based awards and share-based awards for the directors during the most recently completed financial year:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Kirby C. Mercer	Nil	Nil	Nil
Robert G. Smiley	Nil	Nil	Nil
Jerome Byrne	Nil	Nil	Nil

Securities Authorized for Issuance Under Equity Compensation Plan

The following table sets out, as of the end of the Company's most recently completed financial year, all required information with respect to compensation plans under which equity securities of the Company are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	43,163,752	0.11	7,895,084
Equity compensation plans not approved by securityholders	Nil	Nil	Nil

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Total	43,163,752	0.11	7,895,084

CORPORATE GOVERNANCE

Board of Directors

The Board of Directors presently has four (4) directors, two (2) of whom are independent. The definition of independence used by the Company is that used by the Canadian Securities Administrators, which is set out in section 1.4 of National Instrument 52-110 *Audit Committees* (“NI 52-110”). A director is independent if he has no direct or indirect material relationship to the Company. A “material relationship” is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of the director’s independent judgment. Certain types of relationships are by their very nature considered to be material relationships and are specified in section 1.4 of NI 52-110.

Jerome Byrne and D. Samuel Walters are considered to be independent directors. Robert Smiley and Gerard Edwards are not considered to be independent as they are the Chairman and the President, respectively, of the Company.

The Board believes that the principal objective of the Company is to generate economic returns with the goal of maximizing Shareholder value, and that this is to be accomplished by the Board through its stewardship of the Company. In fulfilling its stewardship function, the Board’s responsibilities will include strategic planning, appointing and overseeing management, succession planning, risk identification and management, environmental oversight, communications with other parties and overseeing financial and corporate issues. Directors are involved in the supervision of management.

The Company has developed written position descriptions for the Chair and the Chief Executive Officer. The Chair is not independent. Pursuant to the *Business Corporations Act* (British Columbia), directors must declare any interest in a material contract or transaction or a proposed material contract or transaction. Further, the independent members of the Board of Directors meet independently of management members when warranted. During the past financial year, the Board of Directors did not meet.

Other Directorships

The following directors of the Company are also directors of the following other reporting issuers:

Current Director / Nominee	Other Directorships of other Reporting Issuers
Robert G. Smiley	Silver Grail Resources Ltd. Teuton Resources Corp. Richco Investors Inc. Sterling Group Ventures Drucker, Inc.
Gerard M. Edwards	Monarch Energy Limited
D. Samuel Walters	New Island Resources

Orientation and Continuing Education

New directors of the Company are provided with a package of pertinent information about the Company which includes written information about the duties and obligations of directors, the business and operations of the Company and documents from recent board meetings. Specific details of the orientation of each new director are tailored to that director’s individual needs and areas of interest.

The Company also provides continuing education to directors by way of management presentations to ensure that their knowledge and understanding of the Company’s business remains current. The Company’s financial and legal advisers are also available to the Company’s directors.

Ethical Business Conduct

The Company has adopted a Code of Business Conduct and Ethics (the “Code”) which is intended to document the principles of conduct and ethics to be followed by the Company’s directors, officers and employees. The purpose of the Code is to:

- Promote integrity and deter wrongdoing
- Promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest.
- Promote avoidance or absence of conflicts of interest.
- Promote full, fair, accurate, timely and understandable disclosure in public communications made by the Company.
- Promote compliance with applicable governmental laws, rules and regulations.
- Promote and provide a mechanism for the prompt, internal reporting of departures from the Code.
- Promote accountability for adherence to the Code.
- Provide guidance to the Company’s directors, officers and employees to help them recognize and deal with ethical issues.
- To help foster a culture of integrity, honesty and accountability throughout the Company.

A copy of the Code is available from the Company’s offices. In the Board’s regular meetings, the Board considers the Company’s operations and business activities in light of the Code. The Board expects management to operate the business of the Company in a manner that enhances Shareholder value and is consistent with the highest level of integrity.

Nomination of Directors

The Company does not have a formal process or committee for proposing new nominees for election to the Board of Directors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

Compensation

The Board has established a Compensation Committee which is responsible for reviewing the adequacy and form of compensation paid to the Company’s executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Compensation Committee evaluates the performance of the chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations.

Other Board Committees

The Board has not established any committees other than the Audit and Compensation Committees.

Assessments

There is no formal committee with the responsibility for assessing the effectiveness of the Board of Directors as whole. The Board as a group regularly reviews its performance and assesses the effectiveness of the Board as a whole.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

General

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

Terms of Reference for the Audit Committee

The Board has adopted Terms of Reference for the Audit Committee, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The Audit Committee's Terms of Reference is attached as Schedule "A" to this Circular.

Composition

As the shares of the Company are listed on the TSX Venture Exchange (the "Exchange"), it is categorized as a venture issuer. As a result, the Company is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) of NI 52-110. The Audit Committee consists of the following three (3) directors. Also indicated is whether they are 'independent' and 'financially literate'.

Name of Member	Independent ⁽¹⁾	Financially Literate ⁽²⁾
Robert G. Smiley	No	Yes
Jerome Byrne	Yes	Yes
Gerard Edwards	No	Yes

⁽¹⁾ A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Company, such as the President or the Chairman of the Board, is deemed to have a material relationship with the Company.

⁽²⁾ A member of the Audit Committee is financially literate if he has 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 Company's financial statements.

Relevant Education and Experience

Robert Smiley, BA, LL.B - Mr. Smiley, a lawyer, has extensive business experience in securities, oil & gas, corporate law and merchant banking. Mr. Smiley is President of Richco Investors Inc.

Mr. Smiley has served on the Audit Committee of the Company for several years. He is currently a board member of several public companies including Richco Investors Inc., Silver Grail Resources Ltd., Teuton Resources and Drucker, Inc.

Jerome (Jerry) Byrne, P. Eng. - Jerry Byrne is President of Jerome Byrne Consulting Limited. He is past President and CEO of the DFB Group, a global provider of marine, industrial and oilfield products and service solutions. A graduate of Memorial University's Faculty of Engineering, Mr. Byrne has more than 25 years of experience building companies from the ground up. Mr. Byrne has established several successful Newfoundland companies, including SEA Systems Limited and its affiliates, Glamox Canada Limited, Navalco Canada Limited, and Cantech Systems Limited. He also launched several successful companies in the United States, where he lived for 7 years.

Mr. Byrne is active in the local business and volunteer communities, such as the Association of Professional Engineers and Geoscientists of NL, the St. John's Board of Trade, the Newfoundland and Labrador Oil and Gas Industries Association (NOIA) and Memorial University's Board of Regents.

Gerard Edwards, MBA - In 1995, Mr. Edwards co-founded Imperial Venture Corp/Canadian Imperial Venture Corp serving initially as president and director and then as director and CFO. Mr. Edwards has served as director of a number of public resource-based companies over the past decade and is a principal and director of a number of private companies.

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 Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services; however, as provided for in NI 52-110 the Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries, unless otherwise permitted by NI 52-110.

External Auditor Service Fees (By Category)

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
November 30, 2010	\$37,160	\$13,073	\$4,730	\$1,230
November 30, 2009	\$71,305	\$7,533	\$2,210	\$6,990

⁽¹⁾ The aggregate fees billed by the Company's auditor for audit fees.

⁽²⁾ The aggregate fees billed for assurance and related services by the Company's auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column. These would include administration and CPAOB fees, travel and expenses, fees charged for review of acquisitions and disposal of significant assets throughout the year.

⁽³⁾ The aggregate fees billed for professional services rendered by the Company's auditor for tax compliance, tax advice and tax planning. This would include review and/or preparation of annual corporate tax returns.

⁽⁴⁾ The aggregate fees billed for professional services other than those listed in the other three columns.

Exemption

Pursuant to section 6.1 of NI 52-110, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110 because it is a venture issuer.

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

None of the directors or executive officers of the Company or any subsidiary thereof, has more than "routine indebtedness".

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) each proposed nominee for election as a director of the Company; and
- (c) each associate or affiliate of any of the foregoing.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Unless otherwise disclosed herein, no informed person or proposed nominee for election as a director, or any associate or affiliate of any of the foregoing, has or has had any material interest, direct or indirect, in any transaction or proposed transaction since the commencement of the Company's most recently completed financial year, which has materially affected or will materially affect the Company or any of its subsidiaries, other than as disclosed by the Company during the course of the year or as disclosed herein.

APPOINTMENT OF AUDITOR

The management of the Company intends to nominate BDO Canada LLP of Calgary, Alberta for appointment as auditors of the Company. Forms of proxy given pursuant to the solicitation of the management of the Company, will, on any poll, be voted as directed and, if there is no direction, be voted for the appointment of BDO Canada LLP of Calgary, Alberta at a remuneration to be fixed by the directors. BDO Canada LLP were first appointed auditors of the Company on October 30, 2007.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Incentive Share Option Plan

The Company wishes to renew the existing Incentive Share Option Plan (the "Plan") for directors, officers, employees and consultants of the Company. The Plan was initially approved by shareholders during the 2006 meeting held on September 15, 2006 and was renewed by shareholders during the 2007, 2008, 2009, and 2010 meetings held on November 30, 2007, December 15, 2008, December 4, 2009, and October 21, 2010 respectively. The Plan was attached as a schedule to the Circular for the 2006 meeting which is available on www.sedar.com. A copy of the Plan will also be available at the Meeting.

Pursuant to the Plan, the Company has authorized the reservation of up to 10% of the issued and outstanding Shares for the grant of options from time to time. Under the Plan, the Board may from time to time grant to directors, senior officers, employees and consultants of the Company, as the Board shall designate, options to purchase from the Company such number of its Shares as the Board shall designate. Some of the significant terms of the Plan are as follows:

1. The Company must obtain disinterested shareholder approval if the plan, together any previous plans, could result at any time in the grant to Insiders, within a 12 month period, a number of options exceeding 10% of the issued shares of the Company.
2. The total number of Shares to be reserved for issuance over the previous one year period for any optionee shall not exceed 5% of the issued Shares at the time of grant and the total number of Shares that may be reserved for issuance over the previous 12 month period for individuals engaged in an investor relations capacity shall not exceed 2% of the issued Shares at the time of grant. Further, the total number of Shares to be reserved for issuance over the previous 12 month period for any one consultant, shall not exceed 2% of the issued Shares at the time of grant.
3. While the Shares are listed on the TSX-V, the purchase price per Share for any option granted under the Plan shall not be less than the market price of the Shares less any applicable discount in accordance with the policies of the TSX-V.
4. Options granted must expire not later than a maximum of five years from the date of the grant.
5. Options will vest at the discretion of the board of directors.
6. All options granted pursuant to the Plan shall be non-assignable.

Accordingly, the shareholders will be asked at the Meeting to pass an ordinary resolution in the following terms:

"RESOLVED THAT, the Company's Incentive Share Option Plan (the "Plan"), as described in the Company's Information Circular dated September 23, 2011, be approved and the Board of

Directors of the Company be granted the discretion pursuant to the Plan to grant stock options to directors, officers, employees and consultants of the Company, as the Board of Directors of the Company sees fit. Such grants shall be made under the terms of the Plan and within the rules and policies of the TSX Venture Exchange which are in effect at the time of granting and the exercise of any options granted pursuant to such authorization is hereby approved.”

An ordinary resolution requires the approval of a simple majority (50% plus one vote) of the votes cast by those shareholders of the Company, who, being entitled to, vote in person or by proxy at a general meeting of the Company.

Management of the Company recommends that the shareholders of the Company vote in favour of the approval of the Plan, and the persons named in the enclosed form of proxy intend to vote for such approval at the Meeting unless otherwise directed by the Shareholders appointing them.

2. Agreement of Purchase and Sale

On September 23, 2011, the Company entered into the Agreement of Purchase and Sale in which it will dispose of its rights in Exploration Licence 1070 and Exploration Licence 1120 and its rights under the Area of Mutual Interest Agreement dated April 13, 2011 between Shoal Point Energy Ltd. ("SPE") and the Company. In exchange for the sale of these assets to SPE, the Company will receive 20 million common shares and 10 million share purchase warrants of SPE with each warrant exercisable into an additional common share of SPE at a price of \$0.40 per common share for a period of two years. As additional consideration, the Company will also receive a total of \$500,000 cash, of which SPE will pay \$300,000 on closing and SPE will pay \$200,000 six months from closing. At closing, an additional 1,000,000 common shares of SPE will be held in escrow. If the final cash payment of \$200,000 is not made by SPE to the Company, such escrowed shares will be released to the Company. If the final cash payment is made, the escrowed shares will be returned to SPE for cancellation. As a condition of closing, both SPE and the Company will sign a mutual release whereby each party releases the other from any pre-closing claims it may have against such other party related to Exploration Licences 1070, 1120 and the Area of Mutual Interest Agreement. Also as a condition of closing, the Company will have the right to appoint a nominee to the board of SPE.

The securities issued by SPE will have a four month hold period under Canadian securities laws.

The completion of the transaction as contemplated under the Agreement of Purchase and Sale is subject to a number of conditions including: the approval of the Company's shareholders and TSX Venture Exchange approval.

The full agreement is available for review by all shareholders on www.sedar.com. Alternatively, a shareholder may request a copy of the agreement from the Company without charge.

Background on Exploration Licence 1070, Exploration Licence 1120 and the Area of Mutual Interest Agreement

EL1070 is held jointly by three parties. The conventional deep rights are held 100% by PDIP Production Inc. and the shallow non conventional rights (GREEN POINT OIL-IN-SHALE) are held 61.5% SPE and 38.5% by the Company subject to a farmout agreement where SPE is earning 50% of the Company's interest by drilling and evaluating the 3K-39 well. SPE is paying 100% of the Company's costs on the well until well expenditures reach \$4.5 million after which the companies share costs according to their post earning working interests.

EL1120 is covered by the Area of Mutual Interest ("AMI") agreement between the Company and SPE and this agreement gives the Company the right to earn up to 32% of the shallow rights in that block by paying 40% of the expenditures under a farmin agreement with Ptarmigan Resources. The obligations

under that agreement include the payment of \$1.8 million in cash and the drilling of a well to test the GREEN POINT SHALE prior to December 2012.

Board Approval

The Board of the Company has unanimously approved this transaction. In considering the approval of this transaction, the Board and Management of the Company took into account SPE's excellent record as an operator in West Newfoundland as well as its superior technical team and the Company's demonstrated ability to conduct and fund operations in a frontier area. The Company's Board of Directors and Management believe that the proposed transaction allows the Company and its shareholders to participate in the upside of the Green Point oil-in-shale play without risking further capital. The proposed transaction gives the Company a significant share position in SPE and a seat on the board of SPE.

Accordingly, the shareholders will be asked at the Meeting to pass an ordinary resolution in the following terms:

“BE IT RESOLVED THAT:

1. The "Agreement of Purchase and Sale - Exploration Licences 1070 and 1120 and Associated AMI Agreement" made as of September 23, 2011, between the Company and Shoal Point Energy Ltd. (the "Agreement of Purchase and Sale"), as may be amended, varied or supplement from time to time, the actions of the directors of the Company in approving the Agreement of Purchase and Sale and the actions of the directors and officers of the Company in executing and delivering the Agreement of Purchase and Sale and causing the performance by the Company of its obligations thereunder be and are hereby confirmed, ratified, authorized and approved;
2. Notwithstanding that this resolution has been passed by the shareholders, the directors of the Company be and are hereby authorized and empowered without further approval of the shareholders (i) to amend the Agreement of Purchase and Sale, and/or (ii) not to proceed with the transactions contemplated by the Agreement of Purchase and Sale; and
3. Any one director or officer of the Company be and is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, all such other documents and to do or cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of this resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.”

An ordinary resolution requires the approval of a simple majority (50% plus one vote) of the votes cast by those shareholders of the Company, who, being entitled to, vote in person or by proxy at a general meeting of the Company.

Management of the Company recommends that the shareholders of the Company vote in favour of the approval of the Agreement of Purchase and Sale, and the persons named in the enclosed form of proxy intend to vote for such approval at the Meeting unless otherwise directed by the Shareholders appointing them.

OTHER MATTERS

It is not known whether any other matters will come before the Meeting other than those set forth above and in the notice of meeting, but if any other matters do arise, the persons named in the proxy intend to vote on any poll, in accordance with their best judgment, exercising discretionary authority with respect

to amendments or variations of matters ratified in the notice of meeting and other matters which may properly come before the Meeting or any adjournment.

ADDITIONAL INFORMATION

Additional information on the Company is available on the internet on SEDAR at www.sedar.com. Financial information is provided in the Company's financial statements and management discussion and analysis which are available on SEDAR. The audited financial statements for the year ending November 30, 2010 together with the auditor's report will be presented at the Meeting. You may request copies of the Company's financial statements and management discussion and analysis by completing the request card included with this Circular, in accordance to the instructions therein.

DATED September 23, 2011.

BY THE MANAGEMENT OF
CANADIAN IMPERIAL VENTURE CORP.

"Gerard M. Edwards"

Gerard M. Edwards,
President and Chief Executive Officer

SCHEDULE A
TERMS OF REFERENCE FOR THE AUDIT COMMITTEE

General

Primary responsibility for the Company's financial reporting obligations, information systems, financial information disclosure, risk management and internal controls is vested in management and overseen by the Board.

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Company's financial statements and the independence and performance of the Company's external auditor, acting as a liaison between the Board and the Company's auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established.

Composition and Process

1. The Audit Committee will be comprised of a minimum of three directors. All of the members of the Audit Committee will be independent, as that term is defined in National Instrument 52 – 110 *Audit Committees*, unless otherwise exempted by NI 52 - 110.
2. Audit Committee members will be appointed by the Board on an annual basis for a one-year term and may serve any number of consecutive terms, which are encouraged to ensure continuity of experience.
3. All members of the Audit Committee will be financially literate, with financial literacy being 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 Company's financial statements.
4. The Chair of the Audit Committee will be appointed by the Board on an annual basis for a one-year term and may serve any number of consecutive terms. The Audit Committee Chair will arrange for an alternate chair if he or she is planning to be absent.
5. The Audit Committee Chair will, in consultation with management, the external auditor and internal auditor (if any), establish the agenda for Audit Committee meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for review prior to the meeting. The external auditor will also receive notice of all meetings of the Audit Committee. The external auditor will be entitled to attend and speak at each meeting of the Audit Committee concerning the Company's annual audited financial statements, and any other meeting at which the Audit Committee feels it is necessary or appropriate. The Audit Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.
6. The Audit Committee will meet a minimum of four times per year, at least once per quarter, and may call special meetings as required. A quorum at meetings of the Audit Committee will be a majority of its members if comprised of an odd number of members and one half of its members if comprised of an even number of members. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference call.
7. At all meetings of the Audit Committee every question will be decided by a majority of the votes cast. In case of an equality of votes, the Audit Committee Chair will not be entitled to a casting vote.
8. The minutes of Audit Committee meetings will accurately record the decisions reached and will be distributed to Audit Committee members with copies to the Board, the CEO, the CFO and the external auditor.

9. The CEO, CFO, any other director or any other person may attend and participate in meetings of the Audit Committee, if invited.

Authority

1. The Audit Committee will have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
2. The Audit Committee will have direct communication channels with the external auditor and internal auditor (if any).
3. The Audit Committee will have the authority to retain (or terminate) any outside counsel, advisors or consultants it determines necessary to assist it in discharging its functions, independently of the Board, Chair or CEO. The Audit Committee will be provided with the necessary funding to compensate any counsel, advisors or consultants it retains.
4. The Audit Committee will enquire about potential claims, assessments and other contingent liabilities.
5. The Audit Committee will periodically review with management depreciation and amortization policies, loss provisions and other accounting policies for appropriateness and consistency.
6. The Audit Committee will, through the Audit Committee Chair, report to the Board following each meeting on the major discussions and decisions made by the Audit Committee, and will report annually to the Board on the Audit Committee's responsibilities and how it has discharged them.

Relationship with External Auditor

1. The Audit Committee will establish effective communication processes with management and the external auditor so it can objectively monitor the quality and effectiveness of the external auditor's relationship with the Audit Committee and management.
2. The Audit Committee will review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor and, if necessary, obtain a formal written statement from the external auditor setting forth all relationships between the external auditor and the Company.
3. The Audit Committee will take, or recommend that the Board take, appropriate action to oversee the independence of the external auditor.
4. The Company's external auditor must report directly to the Audit Committee.
5. The Audit Committee must recommend to the Board:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
 - (b) the compensation of the external auditor.
6. Unless otherwise permitted by NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided by the external auditor, together with estimated fees, and consider the impact, if any, on the independence of the external auditor. The Audit Committee may delegate to one or more of its independent members the authority to pre-approve non-audit services, but no such delegation may be made to management of the Company. The pre-approval of non-audit services by any independent member of the Audit Committee to whom such authority has been granted must be presented to the Audit Committee at its first scheduled meeting following such pre-approval. Non-audit services will include, without limitation, the following:
 - (a) Bookkeeping or other services related to the Company's accounting records or financial statements.

- (b) Financial information systems design and implementation.
 - (c) Appraisal or valuation services, fairness opinions or contributions-in-kind reports.
 - (d) Actuarial services.
 - (e) Internal audit outsourcing services.
 - (f) Management functions.
 - (g) Human resources.
 - (h) Broker or dealer, investment adviser or investment banking services.
 - (i) Legal services.
 - (j) Expert services unrelated to the audit, including tax planning and consulting.
2. The Audit Committee is 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 Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
 3. The Audit Committee will implement structures and procedures as it deems necessary to ensure that it meets with the external auditor on a regular basis independent of management.

Relationship with Internal Auditor

1. The Audit Committee will review:
 - (a) The internal auditor's terms of reference.
 - (b) The plan and budget for preparation of the internal audit, including financial and operational activities.
 - (c) Material reports issued by the internal auditor and management's response to those reports.
2. The Audit Committee will approve the reporting relationship of the internal auditor to ensure appropriate segregation of duties is maintained and the internal auditor has direct access to the Audit Committee.
3. The Audit Committee will ensure the internal auditor's involvement with financial reporting is coordinated with the activities of the external auditor.
4. If no internal audit function exists, the Audit Committee will regularly review the need for such a function.

Accounting Systems, Internal Controls and Procedures

1. The Audit Committee will obtain reasonable assurance from discussions with and/or reports from management and reports from the external auditor that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Company, its subsidiaries and affiliates. The Audit Committee will review and consider any recommendations made by the external auditor, together with management's response, and the extent to which recommendations made by the external auditor have been implemented.
2. The Audit Committee will ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and will periodically assess the adequacy of those procedures.
3. The Audit Committee will review and discuss with management and the external auditor the clarity and completeness of the Company's financial and non-financial disclosures made pursuant to applicable continuous disclosure requirements.

4. The Audit Committee will review and discuss with management and the external auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
5. The Audit Committee will review and discuss with management and the external auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
6. The Audit Committee will review with the external auditor the quality of the Company's generally accepted accounting principles and direct the external auditor's examinations to particular areas.
7. The Audit Committee will discuss with management and the external auditor the Company's underlying accounting policies and key estimates and judgments to ensure they are considered to be the most appropriate in the circumstances, within the range of acceptable options and alternatives.
8. The Audit Committee will review the procedures of the internal and external auditors to ensure the combined evaluating and testing of the Company's controls are comprehensive, well coordinated, cost effective and appropriate to relevant risks and business activities.
9. The Audit Committee will review all control weaknesses and deviations identified by management, the internal auditor or the external auditor together with management's response, and review with the external auditor their opinion of the qualifications and performance of the key financial and accounting executives.
10. The Audit Committee will review and discuss with management and the external auditor any proposed changes in major accounting policies and the financial impact thereof, and will from time to time benchmark the Company's accounting policies to those followed in its industry.
11. The Audit Committee will review and discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, which will include without limitation a review of:
 - (a) The appetite for financial risk as set forth by management and the Board.
 - (b) The Company's policies for the management of significant financial risk.
 - (c) Management's assessment of the significant financial risks facing the Company.
 - (d) Management's plans, processes and programs to manage and control financial risk.
12. The Audit Committee will establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
13. The Audit Committee will review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.
14. The Audit Committee will review the Company's insurance policies, including directors' and officers' coverage, and make recommendations to the Board.
15. The Audit Committee will establish a periodic review procedure to ensure that the external auditor complies with the Canadian Public Accountability Regime under National Instrument 52 – 108 *Auditor Oversight*.

Financial Disclosure Responsibilities

The Audit Committee will review and make recommendations on, prior to presentation to the Board for approval and the Company's dissemination to the public, all material financial information required to be disclosed by securities regulations. In fulfilling this responsibility, the Audit Committee will, without limitation, review:

1. The Company's annual and quarterly financial statements (including those of any subsidiaries and affiliates of the Company), management discussion and analysis and news releases, disclosing financial results and any prospectus, annual information form, offering memorandum or other disclosure documents containing financial information extracted or derived from its financial statements.
2. The Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.
3. Disclosures made to the Audit Committee by the Company's CEO and CFO during the certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

Other Responsibilities

1. Review with the external auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements.
2. Investigate fraud, illegal acts or conflicts of interest.
3. Discuss selected issues with legal counsel, the external auditor or management, or conduct special reviews or other assignments from time to time as requested by the Board, or by management with the Board's approval.
4. Review loans made by the Company to its directors, officers, employees and consultants.
5. The Audit Committee will review and assess its effectiveness, contribution and these Terms of Reference annually and recommend any proposed changes thereto to the Board.

Procedures for Receipt of Complaints and Submissions Relating to Accounting Matters

The Audit Committee will inform all employees, at least annually, of the Complaints Officer designated from time to time by the Audit Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.

The Complaints Officer will keep any complaints or submissions received and the identity of employees making complaints or submissions confidential and only communicate same to the Audit Committee or the Chair of the Audit Committee.

The Complaints Officer will report to the Audit Committee as frequently as he or she deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Audit Committee called to approve interim and annual financial statements of the Company.

Upon receipt of a report from the Complaints Officer, the Audit Committee will discuss the report and take such steps as the Audit Committee may deem appropriate. The Complaints Officer will retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.