

ANNUAL GENERAL

and

SPECIAL MEETING

of

***VALDOR TECHNOLOGY
INTERNATIONAL INC.***

***To be held at 10:00 A.M. on June 29, 2012
at Suite 480-789 West Pender Street,
Vancouver, B.C. V6C 1H2***

VALDOR TECHNOLOGY INTERNATIONAL INC.

480 - 789 West Pender Street
Vancouver, B.C. V6C 1H2
(604) 687-3775

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the Annual General and Special Meeting of Shareholders of **VALDOR TECHNOLOGY INTERNATIONAL INC.**, (the "Company") will be held at Suite 480-789 West Pender Street, Vancouver, British Columbia V6C 1H2 on:

FRIDAY, JUNE 29, 2012

at the hour of 10 o'clock in the forenoon (Vancouver time) for the following purposes:

1. to receive the financial statements of the Company for its fiscal year ending December 31, 2011 and the Report of the Auditors thereon and the Report of the Directors;
2. to appoint I. Vellmer Inc., Chartered Accountants as auditors and to authorize the Directors to fix their remuneration;
3. to set the number of Directors at six;
4. to elect Directors for the ensuing year;
5. to consider and if thought fit, approve a special resolution to alter the Notice of Articles to remove the application of Pre-existing Company Provisions as more particularly described in the Information Circular;
6. to consider and if thought fit, approve a special resolution to alter the Articles of the Company to a new form of Articles as more particularly described in the Information Circular;
7. to transact any other business which may properly come before the Meeting, or any adjournment thereof.

Accompanying this Notice are an Information Circular and Proxy.

A shareholder is entitled to vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his stead. If you are unable to attend the Meeting, or any adjournment thereof, in person, please date, execute, and return the enclosed form of proxy in accordance with the instructions set out in the notes to the proxy and any accompanying information from your intermediary.

DATED at Vancouver, British Columbia, this 25th day of May, 2012.

VALDOR TECHNOLOGY INTERNATIONAL INC.
480 - 789 West Pender Street
Vancouver, B.C. V6C 1H2
(604) 687-3775

INFORMATION CIRCULAR AS AT MAY 25, 2012

SOLICITATION OF PROXIES

THIS INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY AND ON BEHALF OF THE MANAGEMENT OF **VALDOR TECHNOLOGY INTERNATIONAL INC.** (the "Company") for use at the Annual General and Special Meeting of shareholders of the Company to be held on Friday, June 29, 2012 at 10:00 A.M. (Vancouver Time) at Suite 480 – 789 West Pender Street, Vancouver, BC V6C 1H2 and any adjournment thereof, for the purposes set forth in the attached Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of May 25, 2012.

All cost of this solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and some regular employees may solicit proxies personally, by telephone or telegraph, but will not receive compensation for so doing.

APPOINTMENT OF PROXYHOLDER

The persons named as proxyholder in the accompanying form of proxy were designated by the management of the Company ("Management proxy holder"). **A shareholder desiring to appoint some other person ("Alternate Proxyholder") to represent him at the Meeting may do so by inserting such other person's name in the space indicated or by completing another proper form of proxy.** A person appointed as proxyholder need not be a shareholder of the Company. All completed proxy forms must be deposited with COMPUTERSHARE, not less than forty-eight (48) hours, excluding Saturdays, Sundays, and holidays, before the time of the Meeting.

REVOCAION OF PROXY

Every proxy may be revoked by an instrument in writing.

- (a) executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer, or attorney, of the corporation; and
- (b) delivered either to the registered office of the company at any time up to and including the last business day preceding the day of the meeting or any adjournment of it, at which the proxy is to be used, or to the chairman of the meeting on the day of the meeting or any adjournment of it,

or in any other manner provided by law.

EXERCISE OF DISCRETION BY PROXYHOLDER

The proxyholder will vote for or against or withhold from voting the shares, as directed by a shareholder on the proxy, on any ballot that may be called for. **In the absence of any such direction, the Management Proxyholder will vote in favour of matters described in the proxy. In the absence of any direction as to how to vote the shares, an Alternate Proxyholder has discretion to vote them as he or she chooses.**

The enclosed form of proxy confers discretionary authority upon the proxyholder with respect to amendments or variations to matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. At present, Management of the Company knows of no such amendments, variations or other matters.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

On May 25, 2012 there were 44,042,720 common shares issued and outstanding, each share carrying the right to one vote. Only shareholders of record at the Close of Business on May 25, 2012 will be entitled to vote in person or by proxy at the Meeting or any adjournment thereof. Each person shall have one vote for each share held.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-102, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deposit it with the Company's transfer agent as provided above; or**
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered holder should strike out the names of the Management Proxyholders named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

To the knowledge of the Directors or Senior Officers of the Company, Elston Johnston is the only person who directly or beneficially exercises control or direction over Company shares carrying more than 10% of the outstanding voting rights:

FINANCIAL STATEMENTS

The audited financial statements of the company for the year ended December 31, 2011, (the "Financial Statements"), together with the Auditors' Report thereon, will be presented to the shareholders at the Meeting. The Financial Statements, together with the Auditors' Report thereon, are being mailed to the shareholders of Record with this Information Circular.

ELECTION OF DIRECTORS

Management proposes to fix the number of Directors of the Company at six (6) and to nominate the persons listed below for election as Directors. Each Director will hold office until the next Annual General Meeting, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the Management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been Directors of the Company; and the number of shares of the Company which each beneficially owns or over which control or direction is exercised.

Name, Jurisdiction of Residence and Present Office Held	Director Since	# of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised at the Date of This Information Circular	Principal Occupation and if not at Present an Elected Director, Occupation During the Past Five (5) Years
Robert Nickel (2) Winnipeg, MB CANADA	Nominee	NIL	Self- Employed businessman
Brian Findlay (1) Abbotsford, BC CANADA Chief Financial Officer	November 15, 1984	597,304 (direct) 3,566,600 (indirect)	President of Alder Investments (1993) Ltd.
Ralph Kettell (2) Spring, TX USA	Nominee	4,019,500	Electrical Engineer
Elston Johnston, (1) Richmond, BC CANADA Director	May 6, 2010	2,812,275 (direct) 2,147,500 (indirect)	President and owner of Ironstone Engineering Inc.
Richard Pogue (1) Kelowna, BC CANADA	Nominee	500,000	Financial Advisor with Raymond James Ltd.
Ronald Boyce (2) Winnipeg, MB CANADA	Nominee	350,000	Self- Employed businessman

- (1) Member or proposed member of the compensation committee.
(2) Member or proposed member of the audit committee.

NOTES:

- (a) The information as to shareholdings has been furnished by the respective nominees.
(b) Each of the above nominees is now a director of the Company and was so elected at the preceding Annual General Meeting.

Corporate Cease Trade Orders or Bankruptcies

No director or proposed director of the Company is, or within the ten years prior to the date of this Information Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity.

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
(b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
(c) 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.

Individual Bankruptcies

No director or proposed director of the Company has, within the ten years prior to the date of this Information Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

Penalties or Sanctions

To the knowledge of the Company, no proposed director of the Company 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 a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

EXECUTIVE COMPENSATION

(For the financial year ended December 31, 2011)

For purposes of this Information Circular, “named executive officer” of the Company means an individual who, at any time during the year, was:

- (a) the Company's chief executive officer (“CEO”);
(b) the Company's chief financial officer (“CFO”);

- (c) each of the Company's 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 and whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer 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 the most recently completed financial year; (each a "Named Executive Officer").

Based on the foregoing definition, during the last completed financial year of the Company, there were 2 Named Executive Officers, namely, its President and CEO, Michel Rondeau and its CFO, Brian Findlay.

Compensation Discussion and Analysis

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Board discussion, with input from and upon the recommendations of, the Compensation Committee.

The Company's executive compensation program has three principal components: base salary, incentive bonus plan and stock options. Base salaries for all employees of the Company are established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances are also taken into account.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. Total bonuses in the amount of \$NIL were paid to executive officers and employees during the most recently completed financial year.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Option-Based Awards

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. The Company awards stock options to its executive officers based upon the recommendation of the Compensation Committee, which recommendation is based upon the Committee's review of a proposal from the Chief Executive Officer. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Compensation Committee.

Summary Compensation Table

The following table sets forth the total compensation paid to or earned by the Named Executive Officers for the Company's most recently completed financial year.

NAME AND PRINCIPAL POSITION	YEAR ENDED	SALARY (\$)	SHARE-BASED AWARDS (\$)	OPTION-BASED AWARDS ⁽¹⁾ (\$)	NON-EQUITY INCENTIVE PLAN COMPENSATION (\$)		PENSION VALUE (\$)	ALL OTHER COMPENSATION (\$)	TOTAL COMPENSATION
					ANNUAL INCENTIVE PLANS	LONG-TERM INCENTIVE PLANS			
Michel Rondeau	2011	71,210	Nil	12,500	N/A	N/A	N/A	Nil	83,710
CEO	2010	74,161	Nil	12,500	N/A	N/A	N/A	Nil	86,661
	2009	74,555	Nil	25,000	N/A	N/A	N/A	20,000	119,555
	2008	80,071	Nil	34,488	N/A	N/A	N/A	Nil	114,559
Brian Findlay	2011	Nil	Nil	12,500	N/A	N/A	N/A	46,000	58,500
CFO	2010	Nil	Nil	12,500	N/A	N/A	N/A	51,000	63,500
	2009	Nil	Nil	25,000	N/A	N/A	N/A	45,000	70,000
	2008	Nil	Nil	34,488	N/A	N/A	N/A	36,000	70,488

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the options granted to the Named Executive Officers to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year.

NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$)
Michel Rondeau	500,000	0.10	August 1, 2013	12,500
Brian Findlay	500,000	0.10	August 1, 2013	12,500

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to Named Executive Officers during the most recently completed financial year. The aggregate value of the option based awards vested during the year is based on the difference between the Company share price on the vesting day of any options that vested during 2011 and the exercise price of the options.

NAME	OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$)	NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$)
Michel Rondeau	12,500	N/A
Brian Findlay	12,500	N/A

Termination and Change of Control Benefits

The Company has not entered into any consulting nor employment agreements with Executives.

Director Compensation

Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Company's most recently completed financial year.

NAME	FEES EARNED	OPTION-BASED AWARDS ⁽¹⁾ (\$)	ALL OTHER COMPENSATION (\$)	TOTAL (\$)
Michel Rondeau	Nil	12,500	71,210	83,710
Brian Findlay	46,000	12,500	Nil	58,500
Pier Antonucci	Nil	500	Nil	500
Elston Johnston	108,000	Nil	Nil	108,000

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the options granted to the directors of the Company, not including those directors who are also Named Executive Officers, to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year.

NAME	OPTION-BASED AWARDS -NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE (\$)	OPTION EXPIRATION DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$)
Pier Antonucci	20,000	0.10	August 1, 2013	500

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned during the year of option-based awards and non-equity incentive plan compensation paid to the directors of the Company, not including those directors who are also Named Executive Officers, during the financial year ended December 31, 2011. The aggregate value of the option based awards vested during the year is based on the difference between the Company share price on the vesting day of any options that vested during 2011 and the exercise price of the options.

NAME	OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$)	NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$)
Pier Antonucci	500	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth certain information pertaining to the Company's equity compensation plan as at the end of the most recently completed financial year:

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	4,700,000	\$0.15	3,283,000
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
TOTAL	4,700,000	N/A	3,283,000

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No insider of the Company, nominee for election as a Director, or associate or affiliate of them, has any material beneficial interest, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which has or will materially affect the Company.

APPOINTMENT OF AUDITORS

Management is recommending that shareholders vote to appoint I. Vellmer Inc., Chartered Accountants, as Auditors for the Company and to authorize the Directors to fix their remuneration. I Vellmer Inc. have served as Auditor for the Company since December 2010.

APPROVAL OF COMPANY'S STOCK OPTION PLAN

The Company's current stock option plan was ratified by the Company's shareholders in 2011. Pursuant to the terms of the current stock option plan, up to 7,983,000 common shares are reserved for issuance. Management is seeking shareholder approval for the adoption of an amended and restated stock option plan (the "Plan") for the purposes of increasing the number of shares reserved for issuance there under from 7,983,000 common shares to 8,800,000 common shares (representing approximately 20% of the Company's currently issued share capital), in accordance with and subject to the rules and policies of the TSX Venture Exchange (the "Exchange").

A full copy of the Plan will be available at the Annual and Special General Meeting for review by shareholders. Shareholders may also obtain copies of the Plan from the Company prior to the meeting on written request.

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below. Following the election of directors nominated pursuant to the Information Circular, the Board will be comprised of six directors, two of whom will not be independent for the purpose of NI58-101, normally the Chief Executive Officers of the Company (to be appointed) and the Chief Financial Officer of the Company, Brian Findlay

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

As at the date of this Information Circular, the Board is comprised of four directors, two of whom are independent for the purposes of NI 58-101. Michel Rondeau is not independent since he currently serves as the President and Chief Executive Officer of the Company. Brian Findlay is not independent since he serves as the Chief Financial officer. Elston Johnston and Pier Antonucci are independent for the purposes of NI 58-101.

Directorships

Certain of the directors and proposed directors are also directors of other reporting issuers, as follows:

Director	Other Reporting Issuer
Brian Findlay	Dajin Resources Corp. Acana Capital Corp.
Elston Johnston	Golden Cross Resources Inc. 88 Capital Corp.
Robert Nickel	NIL
Ralph Kettell	NIL
Richard Pogue	NIL
Ronald Boyce	NIL

Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board is responsible for determining compensation for the directors and Chief Executive Officer of the Company to ensure it reflects the responsibilities and risks of being a director of a public company.

Other Board Committees

The Board has no committees, other than the Audit Committee (see “Audit Committee” below).

Assessments

Due to the size of the Company's board of directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committee.

AUDIT COMMITTEE

Under National Instrument 52-110 – Audit Committees (“NI 52-110”) reporting issuers in those jurisdictions which have adopted NI 52-110 are required to provide disclosure with respect to its audit committee including the text of the audit committee's charter, composition of the committee, and the fees paid to the external auditor. The Company is a reporting Issuer in B.C. and Alberta. NI 52-110 has not been adopted in B.C., but it has been adopted in Alberta. Accordingly, the Company provides the following disclosure with respect to its audit committee:

Audit Committee Charter

1.0 Purpose of the Committee

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

2.0 Members of the Audit Committee

- 2.1 The members of the Audit Committee shall have the ability to read and understand a balance sheet, an income statement, a cash flow statement and the related notes.
- 2.2 At least one member must have accounting or related financial management expertise to analyse and interpret a full set of financial statements, including the related notes.
- 2.3 The Audit Committee shall consist of no less than three Directors.
- 2.4 A majority of the members of the Audit Committee shall be unrelated/independent directors of the Company, while the Company is in the development stage of its business.

3.0 Relationship with External Auditors

- 3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.
- 3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.
- 3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.
- 3.4 The Audit Committee will have direct communications access at all times with the external auditors.

4.0 Non-Audit Services

- 4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.
- 4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:
- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
 - (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5.0 Appointment of Auditors

- 5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6.0 Evaluation of Auditors

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7.0 Remuneration of the Auditors

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted standards and generally accepted accounting principles of Canada.

8.0 Termination of the Auditors

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9.0 Funding of Auditing and Consulting Services

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10.0 Role and Responsibilities of the Internal Auditor

10.1 At this time, due to the Company's size and limited financial resources, the Secretary of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11.0 Oversight of Internal Controls

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitors, and that such internal controls are effective.

12.0 Continuous Disclosure Requirements

12.1 At this time, due to the Company's size and limited financial resources, the Secretary of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13.0 Other Auditing Matters

13.1 The Audit Committee may meet with the Auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14.0 Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15.0 Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

Composition of Audit Committee

Following the election of directors pursuant to this Information Circular, the following will be members of the Audit Committee:

Robert Nickel	Independent (1)	Financially literate(2)
Ralph Kettell	Independent (1)	Financially literate(2)
Ronald Boyce	Independent (1)	Financially literate(2)

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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

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

- Robert Nickel – received a Bachelor of Commerce degree with a major in accounting from the University of Manitoba.
- Ralph Kettell -- received a Bachelor and Masters degree in electrical engineering from Lehigh University in Pennsylvania.
- Ronald Boyce - received a Bachelor of Commerce degree from the University of Alberta.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board of Directors to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve any non-audit services or additional work which the Chairman of the Audit Committee deems as necessary who will notify the other member of the Audit Committee of such non-audit or additional work.

External Auditor Service Fees

The fees for auditor services billed by the Company's external auditors in each of the last two fiscal years for audit and non-audit related services are as follows:

Financial Year Ending December 31	Audit Fees	Audit Related Fees	Tax Fees	All other Fees
2011	23,000	-	-	-
2010	20,000	-	-	-

Exemption

The Company has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110. The Company is a "venture issuer" as that term is defined under NI 52-110.

ALTERATIONS TO COMPANY'S NOTICE OF ARTICLES

On March 29, 2004, the new British Columbia *Business Corporations Act* ("BCA") was proclaimed, replacing the pre-existing British Columbia *Company Act*. Accordingly, the Company is now subject to the BCA, and no longer governed by the *Company Act*. The BCA is a more modern corporate statute, and is designed to provide greater flexibility and efficiency for British Columbia companies. For example, the new BCA does not impose any British Columbia or Canadian residency requirements on the members of the Board of Directors of the Company.

In accordance with the BCA, the Company has filed a transition application with the Registrar of Companies, the principal element of which involved replacing the Company's Memorandum with a new form designated a Notice of Articles.

As a result of the Company having filed its transition application, it may alter its Notice of Articles and adopt a new form of Articles to take advantage of the greater flexibility and efficiency inherent in the BCA, and to make its Articles consistent with the terminology and certain provisions of the BCA.

The Company is proposing to alter its Notice of Articles to remove the application of certain provisions prescribed in the BCA called the pre-existing company provisions ("PCPs"). The PCPs are statutory provisions intended to preserve the application of certain provisions of the *Company Act* to companies formed under the *Company Act* until the shareholders pass a special resolution making them inapplicable. Because the Company is a reporting issuer, the only significant PCP that is applicable is the requirement that a special resolution be approved by not less than three quarters (¾) of the votes cast, as opposed to the two-thirds (2/3) majority applicable under the BCA. Removal of the PCPs will allow a special resolution of the Company to be approved by a two-thirds (2/3) majority vote, which will provide the Company with greater flexibility for future corporate activities and be consistent with companies in other jurisdictions.

At the Meeting, shareholders will be asked to approve a special resolution altering the Notice of Articles to remove the application of the PCPs. The text of the special resolution to be considered and, if thought fit, approved at the Meeting is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- 1. The Notice of Articles of the Company be altered to remove the application of the pre-existing company provisions, as provided for in the British Columbia Business Corporations Act, and the Company's Notice of Articles be altered accordingly.*
- 2. Any one director or officer of the Company be and is hereby authorized to do all things and execute all instruments necessary or desirable to give effect to this special resolution, including without limitation filing a certified copy of this resolution and a notice of alteration of the Notice of Articles with the British Columbia Registrar of Companies.*
- 3. Notwithstanding that this special resolution has been duly passed by the shareholders of the Company, the directors of the Company be and are hereby authorized and empowered to revoke this resolution at any time prior to the effective date hereof, and to determine not to proceed with the alteration to the Notice of Articles without further approval of the shareholders of the Company."*

Approval of the special resolution will require the affirmative votes of the holders of not less than 75% of the votes cast at the Meeting in respect thereof. As set out in the text of the special resolution, notwithstanding its approval, the board of directors may determine not to proceed with the alteration to the Notice of Articles at any time prior to its effective date.

Management of the Company recommends that shareholders vote in favour of the special resolution altering the Notice of Articles to delete the PCPs, and the persons named in the enclosed form of proxy intend to vote for the approval of the resolution at the Meeting unless otherwise directed by the shareholders appointing them.

New Form of Articles

In addition to deleting the PCPs, the Company is proposing to delete its existing Articles in their entirety and replace them with a new set of Articles. The new set of Articles will make the Company's Articles consistent with the terminology and provisions of the BCA. Most of the changes in the new form of Articles are minor in nature, and will not affect shareholders or the day-to-day administration of the Company. However, there are several changes of note:

1. The directors will be able to approve a change of name of the Company without the necessity of obtaining shareholder approval.
2. The directors will be able to increase the authorized capital of the Company, or create one or more classes or series of shares, without the necessity of obtaining shareholder approval.
3. The requirement for a pro-rata purchase of the shares of the Company will be deleted.
4. The Company will be able to hold general meetings of the shareholders outside the Province of British Columbia, without special permission each year from the Registrar of Companies.
5. The Company will not be required to publish advance notice of general meetings of shareholders in any local newspapers.

A copy of the proposed new Articles of the Company will be available for inspection at the Meeting and at the Company's registered office, located at 17th Floor, Suite 1750 - 1185 West Georgia Street, Vancouver, British Columbia, during regular business hours up to the day before the Meeting.

At the Meeting, shareholders will be asked to approve a special resolution deleting the existing Articles of the Company in their entirety and replacing them with the new form of Articles. The text of the special resolution to be considered and, if thought fit, approved at the Meeting is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- 1. The existing Articles of the Company be deleted in their entirety, and the form of Articles presented to the shareholders at the annual and special general meeting of the Company, a copy of which is attached as Schedule A hereto, be adopted as the Articles of the Company.*
- 2. Any one director or officer of the Company be and is hereby authorized to do all things and execute all instruments necessary or desirable to give effect to this special resolution, including without limitation delivering a certified copy of this special resolution to the British Columbia Registrar of Companies.*
- 3. Notwithstanding that this special resolution has been duly passed by the shareholders of the Company, the directors of the Company be and are hereby authorized and empowered to revoke this resolution at any time*

prior to the effective date hereof, and to determine not to proceed with the alteration of the Articles of the Company without further approval of the shareholders of the Company.”

Approval of the special resolution will require the affirmative votes of the holders of not less than 75% of the votes cast at the Meeting in respect thereof. As set out in the text of the special resolution, notwithstanding its approval, the board of directors may determine not to proceed with the alteration of the Articles at any time prior to its effective date.

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders may contact the Company at 604-681-6151 to request copies of the Company's financial statements and related management and discussion and analysis ("MD&A"). Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year.

As of the date of this Information circular, management knows of no other matters to be acted upon at this Annual General and Special Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

DATED at Vancouver, British Columbia, this 25th day of May, 2012

ON BEHALF OF THE BOARD OF DIRECTORS