



**NOTICE OF MEETING
AND
MANAGEMENT INFORMATION CIRCULAR
RELATING TO
AN ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS OF
FIREBIRD RESOURCES INC.**

**TO BE HELD ON JUNE 10, 2011
IN RESPECT OF AN ARRANGEMENT
BETWEEN
FIREBIRD RESOURCES INC.
AND
GTO RESOURCES INC.**

April 26, 2011

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the transactions described in this information circular.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

Capitalized words used in this Notice and not otherwise defined shall have the meaning set forth in the "Glossary of Non-Technical Terms" and the "Glossary of Technical Terms" set forth in the Circular.

THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITY IN ANY STATE, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Newco Shares to be issued under the Arrangement have not been registered under the U.S. Securities Act and are being issued in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court as described under the section of this Circular entitled "*The Arrangement — Resale of New Shares and Newco Shares*" in this Circular.

This Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act. Additionally, information concerning any properties and operations of the Company, including those that will be transferred to Newco as part of the Arrangement, has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies.

Financial statements included herein have been prepared in accordance with generally accepted accounting principles in Canada and are subject to auditing and auditor independence standards in Canada. Firebird Shareholders should be aware that the reorganization of the Company pursuant to the Plan of Arrangement as described herein may have tax consequences in both the United States and Canada. Such consequences for Firebird Shareholders who are resident in, or citizens of, the United States may not be described fully herein. See the sections of the Circular entitled "*Income Tax Considerations — Certain Canadian Federal Income Tax Considerations*" and "*Income Tax Considerations — Certain U.S. Federal Income Tax Considerations*".

The enforcement by Firebird Shareholders of civil liabilities under the United States federal securities laws may be affected adversely by the fact that Firebird and Newco are incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and the experts named herein are residents of a foreign country and that all of the assets of the Company and Newco are located outside the United States.



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO THE HOLDERS OF COMMON SHARES OF FIREBIRD RESOURCES INC.:

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of holders ("**Firebird Shareholders**") of common shares (the "**Firebird Shares**") of Firebird Resources Inc. ("**Firebird**" or the "**Company**") will be held at the offices of Sangra Moller LLP, Suite 1000, 925 West Georgia Street, Vancouver, British Columbia on June 10, 2011 at 8:00 a.m. (Vancouver time), for the following purposes:

1. to receive and consider the consolidated financial statements of the Company for the fiscal year ended April 30, 2010, and the report of the auditor thereon;
2. to fix the number of directors of the Company at three (3);
3. to elect directors of the Company for the ensuing year;
4. to appoint an auditor for the Company for the ensuing year and to authorize the directors to fix the auditor's remuneration;
5. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution to affirm, ratify and approve the Company's stock option plan;
6. pursuant to an interim order of the Supreme Court of British Columbia (the "**Court**") dated May 13, 2011 (the "**Interim Order**"), to consider and, if thought fit, pass, with or without variation, a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") among the Company, its securityholders and GTO Resources Inc. ("**Newco**"), a wholly-owned subsidiary of the Company, the full text of which is set out at Schedule "A" to the accompanying management information circular (the "**Circular**") of the Company;
7. to consider and, if thought fit, to pass, with or without variation, an ordinary resolution to approve a stock option plan for Newco; and
8. to transact such other business as may properly come before the Meeting or at any adjournment(s) or postponement(s) thereof.

The board of directors of the Company has fixed 5:00 p.m. (Vancouver time) on April 26, 2011 as the record date for determining Firebird Shareholders who are entitled to attend and vote at the Meeting. The accompanying Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice of Annual and Special Meeting.

Accompanying this Notice of Annual and Special Meeting are the Circular and a form of proxy for use at the Meeting.

Copies of the Arrangement Resolution, the arrangement agreement dated May 12, 2011 between Firebird and Newco, which includes the Plan of Arrangement, the Interim Order and the Notice of Hearing, all as defined in the Circular, are attached to the Circular as Schedules "A", "B", "C" and "D", respectively.

Registered shareholders have the right to dissent in respect of the proposed Arrangement and to be paid the fair value of their Firebird Shares in accordance with the provisions of the Interim Order, the Final Order and the Plan of Arrangement, as such terms are defined in the Circular, Division 2 of Part 8 of the BCBCA and any further order(s) of the Court. These dissent rights are described in the accompanying Circular and a copy of Division 2 of Part 8 of the BCBCA is attached as Schedule "E" thereto. Failure to strictly comply with the requirements set forth in the Interim Order, the Final Order, the Plan of Arrangement, Division 2 of Part 8 of the BCBCA and any further order(s) of the Court may result in the loss of any right of dissent.

If you are a registered shareholder of the Company, whether or not you are able to attend the Meeting, you are requested to complete, execute and deliver the enclosed form of proxy in accordance with the instructions set forth on the form to the Company, c/o Computershare Investor Services Inc., Attn.: Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment(s) or postponement(s) thereof. The time limit for the deposit of proxies may be waived by the board of directors at its discretion without notice. Registered Shareholders may also vote their proxies via telephone or the internet in accordance with the instructions set forth on the proxy.

If you are a non-registered holder of Firebird Shares and you receive these materials through your broker, custodian, nominee or other intermediary, you should follow the instructions provided by your broker, custodian, nominee or other intermediary in order to vote your Firebird Shares.

The board of directors of the Company unanimously recommends that Firebird Shareholders vote IN FAVOUR of the matters set forth in this Notice of Annual and Special Meeting. In the absence of any instructions to the contrary, the Firebird Shares represented by proxies appointing the management designees named in the accompanying form of proxy will be voted IN FAVOUR of the matters set forth in this Notice of Annual and Special Meeting.

DATED at Vancouver, British Columbia, this 26th day of April, 2011.

By order of the Board of Directors

/s/ Thomas R. Tough

Thomas R. Tough
Chairman and Director

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GLOSSARY OF NON-TECHNICAL TERMS

Unless the context otherwise requires, when used in this Circular, the following defined non-technical terms shall have the meanings set forth below. Words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"Arrangement" means the arrangement under the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in the Plan of Arrangement;

"Arrangement Agreement" means the agreement dated May 12, 2011 between the Company and Newco, a copy of which is attached as Schedule "B" to this Circular, and any amendment(s) or variation(s) thereto;

"Arrangement Provisions" means Division 5 of Part 9 – *Arrangements* of the BCBCA;

"Arrangement Resolution" means the special resolution to be considered by the Firebird Shareholders to approve the Arrangement, the full text of which is set out as resolution 2 in Schedule "A" to this Circular;

"Assets" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;

"BCBCA" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;

"Belk Property" means the gold exploration property comprised of six claims totalling approximately 580 acres located in Lancaster County, South Carolina, as further described in Schedule "N" attached to this Circular;

"Beneficial Shareholder" means a Firebird Shareholder who is not a Registered Shareholder;

"Board" means the board of directors of the Company;

"Business Day" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;

"Buzzard-Jefferson Technical Report" means the independent technical report dated July 18, 2010 entitled "Buzzard and Jefferson Prospects, Technical Report on Gold Exploration in the Haile-Brewer Gold Trend Carolina Slate Belt Province, Chesterfield and Lancaster Counties, South Carolina USA" prepared by Richard C. Capps, PhD, CPG;

"Buzzard-Jefferson Property" means, collectively, the Buzzard Property and the Jefferson Property, a combined advanced stage precious-metals exploration project located along the northeast-striking Haile-Brewer Gold Trend in the Counties of Lancaster and Chesterfield, South Carolina, approximately ninety-six (96) kilometers northeast of Columbia, South Carolina and about eighty (80) kilometers Southeast of Charlotte, North Carolina, having a combined area of about 1,430 acres in fourteen (14) leases with option to purchase agreements prior to mining;

"Buzzard Property" means, together with the Jefferson Property, an advanced stage precious-metals exploration project, comprised of six (6) claims totalling approximately 260 acres located in the counties of Lancaster and Chesterfield, South Carolina, as further described in Schedule "N" attached to this Circular;

"CDS" means CDS Clearing and Depository Services Inc.;

"Circular" means this management information circular;

"Company" means Firebird Resources Inc.;

"Computershare" means Computershare Investor Services Inc.;

"**Court**" means the Supreme Court of British Columbia;

"**Dissent Notice**" means a written notice sent by a Registered Shareholder and received by Firebird at least two days before the Meeting or any date to which the meeting may be postponed or adjourned, and which notifies the Company of such shareholder's exercise of the shareholder's Dissent Rights and which otherwise complies with section 242 of the BCBCA and the Interim Order;

"**Dissent Rights**" means the rights of dissent granted in favour of Registered Shareholders in respect of the Arrangement Resolution as provided pursuant to the Plan of Arrangement;

"**Dissenting Shareholder**" means a Firebird Shareholder who validly exercises rights of dissent under the Arrangement and who will be entitled to be paid fair value for his, her or its Firebird Shares in accordance with the provisions of the Interim Order, the Final Order, the Plan of Arrangement, Division 2 of Part 8 of the BCBCA and any further order(s) of the Court;

"**Dissenting Shares**" means the Firebird Shares in respect of which Dissenting Shareholders have exercised a right of dissent;

"**Distributed Newco Shares**" means that number of Newco Shares which is equal to the total number of Firebird Shares issued and outstanding as at the Effective Time on the Effective Date, less 9,056,603, multiplied by the Exchange Factor, which Newco Shares are to be distributed to the Firebird Shareholders pursuant to §3.1(a) of the Plan of Arrangement;

"**Distribution**" shall have the meaning associated to such term in the section of this Circular entitled "*Income Tax Considerations*";

"**Effective Date**" means the date upon which the Arrangement becomes effective;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;

"**Exchange**" means the TSX Venture Exchange;

"**Exchange Factor**" means 0.5;

"**Final Order**" means the final order of the Court approving the Arrangement;

"**Firebird**" means Firebird Resources Inc.;

"**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares described in §3.1(b)(i) of the Plan of Arrangement;

"**Firebird Class B Preferred Shares**" means the class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of the Plan of Arrangement;

"**Firebird Debentures**" means the outstanding 10.0% convertible debentures of Firebird due and payable on the date that is five (5) years plus one (1) day from the date of issue of the debentures;

"**Firebird Debentureholder**" means a holder of Firebird Debentures;

"**Firebird Option Plan**" means the directors, management, consultant and employees stock option plan of the Company, attached as Schedule "J" to this Circular;

"**Firebird Optionholder**" means a holder of Firebird Options;

"**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;

"**Firebird Private Placement**" means the non-brokered private placement of up to 5,000,000 Firebird Units at a price of \$0.60 per Firebird Unit, for aggregate gross proceeds of approximately \$3,000,000, which private placement is intended to be completed on or before the Effective Date;

"Firebird Private Placement Warrant" means a transferable common share purchase warrant to be issued by Firebird pursuant to the Firebird Private Placement, each whole warrant entitling the holder thereof to purchase one Firebird Share at a price of \$1.00 for a period of eighteen (18) months from the date of issue, subject to accelerated expiry;

"Firebird Shareholder" means a holder of Firebird Shares;

"Firebird Shares" means the common shares without par value in the authorized share structure of the Company, as constituted on the date of the Arrangement Agreement;

"Firebird Unit" means a unit to be issued by Firebird pursuant to the Firebird Private Placement, each unit consisting of one Firebird Share and one-half of one Firebird Private Placement Warrant;

"Firebird Warrantholder" means a holder of Firebird Warrants;

"Firebird Warrants" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;

"HPU Agreement" the mineral property option agreement dated May 4, 2005 pursuant to which the Company has earned a 100% interest in the HPU Property;

"HPU Property" means the Hyman Porter Uranium Property, comprised of seventy (70) claims totalling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Schedule "N" attached to this Circular;

"Interim Order" means the interim order dated May 13, 2011 of the Court pursuant to the BCBCA in respect of the Arrangement, a copy of which is attached to this Circular as Schedule "C";

"Intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders;

"Jefferson Property" means, together with the Buzzard Property, an advanced state precious-metals exploration project, comprised of eight (8) claims totalling approximately 1,150 acres located in Chesterfield County, South Carolina, as further described in Schedule "N" attached to this Circular;

"Listing Date" means the date the Newco Shares are listed on the Exchange;

"Loan" means a loan from Firebird to Newco in such amount as Newco may require to fund its business activities and to meet its working capital needs for the twelve-month period following the Listing Date, up to an aggregate principal amount of \$700,000, which loan will have a term of two years, accrue interest at the rate of the prime lending rate of the Royal Bank of Canada in effect from time to time for Canadian dollar commercial demand loans plus three (3%) percent per annum and be subject to other terms and conditions as may be agreed upon by Firebird and Newco;

"Meeting" means the annual and special meeting of the Firebird Shareholders to be held on June 10, 2011, and any adjournment(s) or postponement(s) thereof;

"Mineral Properties" means, collectively, the Buzzard-Jefferson Property, the Belk Property and the Mountain of Gold Property;

"Mountain of Gold Property" means the property formerly known as the "Turnbull Property", being comprised of two (2) claims located in Turnbull Township, Porcupine Mining Division, Ontario, as further described in Schedule "N" to this Circular;

"New Firebird Warrants" means the common share purchase warrants of Firebird to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of the Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrants being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;

"**New Shares**" means the new class of common shares without par value which the Company will create pursuant to §3.1(b)(ii) of the Plan of Arrangement and which, immediately after the Effective Date, will be identical in every material respect to the Firebird Shares;

"**Newco**" means GTO Resources Inc., a company incorporated under the BCBCA;

"**Newco Option Plan**" means the proposed stock option plan of Newco, which is subject to Exchange acceptance and Firebird Shareholder approval at the Meeting;

"**Newco Option Plan Resolution**" means an ordinary resolution which will be considered by the Firebird Shareholders to approve the Newco Option Plan, the full text of which is set out as resolution 3 in Schedule "A" to this Circular;

"**Newco Shareholder**" means a holder of Newco Shares;

"**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date of the Arrangement Agreement;

"**Newco Unit**" means a unit to be issued by Newco pursuant to the Private Placement, each unit consisting of one Newco Share and one-half of one Newco Warrant;

"**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of the Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the Canadian Securities Administrators;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators;

"**Notice of Alteration**" means the notice of alteration to the articles of Firebird;

"**Notice of Hearing**" means the Notice of Hearing of the Final Order attached as Schedule "D" to this Circular;

"**Notice of Meeting**" means the notice of annual and special meeting of the Firebird Shareholders in respect of the Meeting;

"**Option Agreement**" means the mining option agreement with respect to the Buzzard-Jefferson and Belk Properties between the Optioner thereunder and Firebird dated June 24, 2010, as amended;

"**Optioner**" means the optioner under the Option Agreement;

"**Optioner Shares**" means the 9,056,603 Firebird Shares held by the Optioner;

"**Plan of Arrangement**" means the plan of arrangement attached as Exhibit II to the Arrangement Agreement, which Arrangement Agreement is attached as Schedule "B" to this Circular, and any amendment(s) or variation(s) thereto;

"**Private Placement**" means the non-brokered private placement of up to 2,333,333 Newco Units at a price of \$0.30 per Newco Unit, for aggregate gross proceeds of approximately \$700,000, which private placement is intended to be completed on or before the Effective Date;

"Private Placement Warrant" means a common share purchase warrant to be issued by Newco pursuant to the Private Placement, each whole warrant entitling the holder thereof to purchase one Newco Share at a price of \$0.45 for a period of eighteen (18) months from the date of issue;

"Qualified Person" or **"QP"** means an individual who is a "qualified person" within the meaning of NI 43-101;

"RCU Agreement" means the agreement between the optioner thereof and Firebird dated January 20, 2005, pursuant to which Firebird has the exclusive right to acquire a 100% interest in the RCU Property, subject to the terms and conditions contained therein;

"RCU Property" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of thirty-four (34) claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario as further described in Schedule "N" attached to this Circular;

"RCU Technical Report" means the independent technical report dated February 25, 2011 entitled "Technical Report NI 43-101 on the RCU Property in Roberts and Creelman Townships, District of Sudbury, Ontario for Firebird Resources Inc." prepared by Robert G. Komarechka, P.Geol. and L.D.S. Winter, P.Geol.;

"Record Date" means the record date for notice of and voting at the Meeting, such date being fixed at April 26, 2011;

"Registered Shareholder" means a registered holder of Firebird Shares as recorded in the shareholder register of the Company maintained by Computershare;

"Registrar" means the Registrar of Corporations under the BCBCA;

"SEC" means the United States Securities and Exchange Commission;

"SEDAR" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

"Tax Act" means the *Income Tax Act* (Canada), as may be amended, or replaced, from time to time;

"U.S. Exchange Act" means the United States *Securities Exchange Act of 1934*, as may be amended, or replaced, from time to time; and

"U.S. Securities Act" means the United States *Securities Act of 1933*, as may be amended, or replaced, from time to time.

GLOSSARY OF TECHNICAL TERMS

Unless the context otherwise requires, when used in this Circular, the following technical terms and abbreviations shall have the meanings set forth below. Words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"**alteration**" means any change in the mineralogical composition of a rock that is brought about by physical or chemical means;

"**Archean**" means a geologic eon or time period extending from 2,500 Ma to the oldest dated rocks on earth;

"**chalcopyrite**" means copper iron sulphide, CuFeS_2 , which occurs in brass-yellow crystals or masses and is an important ore of copper;

"**chert**" means a compact rock consisting essentially of microcrystalline quartz;

"**claim (mineral/mining)**" means the area that confers mineral exploration/exploitation rights to the registered holder under the laws of the governing jurisdiction;

"**conglomerate**" means a sedimentary rock in which the grain size is greater than four mm and may range to pebbles, cobbles and boulders greater than 256 mm in size;

"**deposit**" means a mineralized body which has been physically delineated by sufficient drilling, trenching, and/or underground work and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures. Such a deposit does not qualify as a commercially mineable ore body or as containing ore reserves, until final legal, technical, and economic factors have been received;

"**detrital**" means a sedimentary rock formed from detritus (sand, mud, etc.);

"**diabase**" means an igneous rock composed of dark iron and magnesium-rich minerals plus calcium-rich feldspars, which commonly occurs in dykes;

"**diamond drilling/drill hole**" means a method of obtaining a cylindrical core of rock by drilling with a diamond impregnated bit;

"**dissemination**" means distribution of mineralization usually as small grains or blebs homogeneously throughout the host rock;

"**fault**" means a fracture in a rock across which there has been displacement;

"**feasibility study**" means a comprehensive study of a deposit in which all geological, engineering, operating, economic and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production;

"**feldspar**" means a group of common sodium–potassium–calcium al umino silicate rock–forming minerals;

"**feldspathic quartzite**" means a quartzite in which the feldspar mineral content may be up to 25%;

"**felsic**" means light coloured silicate minerals, mainly quartz and feldspar, or an igneous rock comprised largely of felsic minerals (granite, rhyolite);

"**geology/geological**" means the study of the Earth's history and life, mainly as recorded in rocks;

"**geophysics/geophysical**" means the study of the earth by quantitative physical methods, either by surveys conducted on the ground, in the air (by fixed wing aircraft or helicopter) or in a drillhole;

"**grade**" means the amount of valuable mineral in each tonne of ore, expressed as ounces per tonne or grams per tonne for precious metal and as a percentage by weight for other metals;

"**greenschist**" means a metamorphosed rock which owes its colour and schistosity to abundant chlorite. This term is also used to describe a certain level of metamorphic facies defined by a specific mineral assemblage;

"**greenstones**" or "**greenstone belt**" means elongate or belt-like, kilometer-scale assemblages of volcanic and sedimentary rocks within granite-greenstone subprovinces with tectonic or intrusive boundaries;

"**hectare**" means a square of 100 meters on each side;

"**host**" means a rock or mineral that is older than rocks or minerals introduced into it;

"**igneous**" means a classification of rocks formed from the solidification from a molten state;

"**intrusive/intrusions**" means an igneous rock that invades older rocks;

"**km**" means kilometre;

"**limestone**" means carbonate-rich sedimentary rock;

"**lb**" means one pound or 0.454 kilogram;

"**m**" means meter;

"**Ma**" means million years ago;

"**metamorphism**" means a process whereby the composition of rock is adjusted by heat and pressure;

"**metavolcanic**" means a metamorphic rock of volcanic origin;

"**mineralization**" means the concentration of metals and their chemical compounds within a body of rock;

"**mm**" means millimeters;

"**NTS**" means the National Topographic System;

"**oligomictic conglomerate**" means a conglomerate in which the cobbles or pebbles are mainly of one material such as quartz, quartzite or chert;

"**ore**" means rock containing mineral(s) or metals that can be economically extracted to produce a profit;

"**Paleoproterozoic**" means the oldest or earliest part of the Proterozoic eon from 2500 Ma to 1600 Ma;

"**paraconglomerates**" means those conglomerates in which the matrix is in excess of the large fragments such as pebbles and cobbles;

"**polymictic conglomerate**" means a conglomerate in which the cobbles or pebbles have a diverse or heterogeneous composition;

"**ppm**" means parts per million;

"**Proterozoic**" means the geological eon or time period extending from 2,500 to 542 Ma;

"**quartz**" means a mineral composed of silicon dioxide (SiO₂);

"**quartzite**" means the metamorphic equivalent of a quartz sandstone in which the sedimentary quartz grains have been fused due to the increase in temperature and pressure during metamorphism;

"**rare earth elements**" means the rare earth elements or rare earth metals, a group of 17 chemical elements in the periodic table, being scandium, yttrium and the 15 lanthanoid elements;

"**RRE**" means rare earth elements plus yttrium and scandium;

"**schistosity**" means a type of cleavage characteristic of metamorphic rocks, notably schists and phyllites, in which the rocks tend to split along parallel planes defined by the distribution and parallel arrangement of platy mineral crystals;

"**sediment**" means solid material that has settled down from a state of suspension in a liquid. More generally, solid fragmental material transported and deposited by wind, water or ice, chemically precipitated from solution, or secreted by organisms, and that forms in layers in loose unconsolidated form;

"**sedimentary**" means rock formed by the deposition of solid fragmented material that originates from weathering of rocks and is transported from a source to a site of deposition;

"**shear**" means a fracture in rock similar to a fault;

"**silicate**" means any of a group of substances containing negative ions composed of silicon and oxygen;

"**structure/structural**" means pertaining to geological structure; i.e. folds, faults, shears, etc.;

"**tons**" means dry short tons (2,000 pounds);

"**volcanic**" means descriptive of rocks originating from volcanic activity;

"**unconformity**" means an unconformity represents a period of erosion or non-deposition between overlying units and the underlying ones; and

"**yttrium**" is a rare earth element.



SUMMARY

The following is a summary of the information contained elsewhere in this Circular, concerning a proposed reorganization of the Company by way of the Arrangement. This Circular also deals with the election of directors, the appointment of an auditor and the approval of the Firebird Option Plan and the Newco Option Plan, which matters are not summarized in this summary. Certain capitalized words and terms used in this summary are defined in the Glossary of Non-Technical Terms above. This summary is qualified in its entirety by the more detailed information and financial statements appearing or referred to elsewhere in this Circular and the schedules attached hereto.

The Meeting

The Meeting will be held at the offices of Sangra Moller LLP, Suite 1000, 925 West Georgia Street, Vancouver, British Columbia, on June 10, 2011 at 8:00 a.m. (Vancouver time). At the Meeting, the Firebird Shareholders will be asked, in addition to voting on the election of directors, the appointment and remuneration of an auditor and the approval of the Firebird Option Plan, to consider and, if thought fit, to pass the Arrangement Resolution approving the Arrangement among the Company, Newco and the Firebird Shareholders. Other than as may be set forth in the Plan of Arrangement, the Arrangement will consist of the distribution of Newco Shares to the Firebird Shareholders. Firebird Shareholders will also be requested to consider and, if thought fit, to pass the Newco Option Plan Resolution approving the Newco Option Plan.

By passing the Arrangement Resolution, the Firebird Shareholders will also be giving authority to the Board to use its best judgment to proceed with and cause the Company to complete the Arrangement without any requirement to seek or obtain any further approval of the Firebird Shareholders.

The Arrangement

The Company is a resource issuer engaged in the exploration and development of mineral properties. The Arrangement has been proposed to facilitate the separation of the exploration and development of the Assets from exploration and development of the Mineral Properties, and in particular the Buzzard-Jefferson Property, as well as the acquisition and exploration of additional mining properties as such opportunities arise from time to time. The Company believes that separating Firebird into two public companies offers a number of benefits to shareholders. This separation will enable the Company to focus on the development of the Buzzard-Jefferson Property, its core asset, and to allow Newco to separately finance and explore the Assets, and in particular the RCU Property, in addition to other properties which Newco may acquire.

Concurrently with the closing of the Arrangement, Newco intends to complete the Private Placement for aggregate gross proceeds of up to \$700,000. In the event that Newco does not complete the Private Placement, or if the amount raised thereunder is insufficient to allow Newco to fund its business activities and to meet its working capital needs for the twelve-month period following the Listing Date, then Firebird shall advance the Loan to Newco. See the section of this Circular entitled "*Newco After the Arrangement – Newco's Business – Liquidity and Capital Resources*".

Pursuant to the Arrangement, Newco will acquire all of the Company's interest in and to the Assets, being the RCU Property and the HPU Property, in exchange for the Distributed Newco Shares, which shares will be distributed to the Firebird Shareholders who hold Firebird Shares as at the Effective Time on the Effective Date, other than as may be set forth in the Plan of Arrangement.

Each Firebird Shareholder as at the Effective Time on the Effective Date, other than a Dissenting Shareholder will, immediately after the Arrangement, hold one New Share in the capital of the Company and such number of Newco

Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor, except that, pursuant to the Option Agreement and the Arrangement, the Optioner will not receive any Newco Shares pursuant to the Arrangement. The New Shares will be identical in every material respect to the present Firebird Shares. See the section of this Circular entitled "*The Arrangement – Details of the Arrangement*".

Effect of the Arrangement on Firebird Convertible Securities

Firebird Warrants

Firebird Warrantholders of record as at the Effective Time on the Effective Date shall receive, in exchange for each Firebird Warrant then held, one New Firebird Warrant and one-half of one Newco Warrant, and all of the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever. Each New Firebird Warrant and each Newco Warrant issued pursuant to the Plan of Arrangement in exchange for a Firebird Warrant shall: (i) have an exercise price equal to the existing price of the Firebird Warrants being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged.

Firebird Options

The Firebird Optionholders of record as at the Effective Time on the Effective Date shall not receive any new securities of Firebird or Newco in exchange for the Firebird Options then held in connection with the Arrangement, nor, on exercise of the Firebird Options during the term thereof, shall the holders thereof be entitled to any securities of Newco. On exercise of the Firebird Options in accordance with the terms thereof, a holder of Firebird Options shall, as a result of the Arrangement, be entitled to New Shares in lieu of Firebird Shares. Other than as set forth herein, the terms and conditions of the Firebird Options shall be unaffected by the Arrangement.

Firebird Debentures

The Firebird Debentureholders of record as at the Effective Time on the Effective Date shall not receive any new securities of Firebird or Newco in exchange for the Firebird Debentures then held in connection with the Arrangement, nor, on conversion of the Firebird Debentures during the term thereof, shall the holders thereof be entitled to any securities of Newco. On conversion of the Firebird Debentures in accordance with the terms thereof, a holder of Firebird Debentures shall, as a result of the Arrangement, be entitled to New Shares in lieu of Firebird Shares. Other than as set forth herein, the terms and conditions of the Firebird Debentures shall be unaffected by the Arrangement.

Recommendation and Approval of the Board of Directors

The directors of the Company have concluded that the terms of the Arrangement are fair and reasonable to, and in the best interests of, the Company and the Firebird Shareholders. The Board has therefore approved the Arrangement and authorized the submission of the Arrangement to the Firebird Shareholders and the Court for approval. The Board recommends that Firebird Shareholders vote FOR the approval of the Arrangement. See the section of this Circular entitled "*The Arrangement – Recommendation of Directors*".

Reasons for the Arrangement

The decision to proceed with the Arrangement was based on the following primary determinations:

1. the Company's primary focus is the exploration and development of the Buzzard-Jefferson Property. This focus will hamper the exploration and development of the RCU Property, which is expected to be the principal mineral property of Newco on completion of the Arrangement;
2. the formation of Newco to hold the Assets will facilitate separate fund-raising, exploration and development strategies for the RCU Property required to move the RCU Property forward;
3. the formation of Newco and the distribution of Newco Shares to Firebird Shareholders will give such Firebird Shareholders a direct interest in a new exploration company that will focus on the exploration and development of the Assets, and in particular the RCU Property, as well as the potential acquisition and development of new properties in districts and areas with known potential for high margin deposits;

4. the Board believes that ownership by Newco of the Assets will enable the Assets to be more appropriately valued in the public market. The separation of the Assets from the Company will allow investors to more accurately value Newco on a stand-alone basis against similar mineral exploration companies and industry benchmarks, thereby enhancing the likelihood that Newco will achieve appropriate market recognition. This will allow the holders of Newco Shares to realize value which the Board believes should be attributed to the separate entity;
5. as a separate public company, Newco will have direct access to public and private capital markets and will be able to issue debt and equity to fund exploration of the RCU Property and to finance the acquisition and exploration of any new properties on a priority basis; and
6. as a separate public company, Newco will be able to establish equity based compensation programs to enable it to better attract, motivate and retain directors, officers and key employees, thereby better aligning management and employee incentives with the interests of shareholders.

See the section of this Circular entitled "*The Arrangement – Reasons for the Arrangement*".

Conduct of Meeting and Shareholder Approval

The Interim Order provides that in order for the Arrangement to proceed, the Arrangement Resolution must be passed, with or without variation, by at least 66 and 2/3rds of the eligible votes cast with respect to the Arrangement Resolution by Firebird Shareholders present in person or by proxy at the Meeting. See the section of this Circular entitled "*The Arrangement – Shareholder Approval*".

Court Approval

The Arrangement, as structured, requires the approval of the Court. Prior to the mailing of this Circular, the Company obtained the Interim Order authorizing the calling and holding of the Meeting and providing for certain other procedural matters. The Interim Order does not constitute approval of the Arrangement or the contents of this Circular by the Court.

The Notice of Hearing for the Final Order is attached as Schedule "D" to this Circular. In hearing the petition for the Final Order, the Court will consider, among other things, the fairness of the Arrangement to the Firebird Shareholders. The Court will also be advised that based on the Court's approval of the Arrangement, the Company and Newco will rely on an exemption from registration pursuant to Section 3(a)(10) of the U.S. Securities Act for the issuance of the New Shares and the Newco Shares to any United States based Firebird Shareholders. Assuming approval of the Arrangement by the Firebird Shareholders at the Meeting, the hearing for the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on June 14, 2011, at the Law Courts, 800 Smithe Street, Vancouver, British Columbia, or at such other date and time as the Court may direct. At this hearing, any Firebird Shareholder or director, creditor, auditor or other interested party of the Company who wishes to participate or to be represented or who wishes to present evidence or argument may do so, subject to filing an appearance and satisfying certain other requirements. See the section of this Circular entitled "*The Arrangement – Court Approval of the Arrangement*".

Income Tax Considerations

Canadian Federal income tax considerations for Firebird Shareholders who participate in the Arrangement or who dissent from the Arrangement are set out in the section of this Circular entitled "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*", and certain United States Federal income tax considerations for Firebird Shareholders who participate in the Arrangement or who dissent from the Arrangement are set out in the section of this Circular entitled "*Income Tax Considerations – Certain U.S. Federal Income Tax Considerations*".

Firebird Shareholders should carefully review the tax considerations applicable to them under the Arrangement and are urged to consult their own legal, tax and financial advisors in regard to their particular circumstances.

Right to Dissent

The Interim Order provides that Firebird Shareholders will have the right to dissent from the Plan of Arrangement as provided in Division 2 of Part 8 of the BCBCA, as may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court. Any Firebird Shareholder who dissents will be entitled to be paid in cash the fair value for their Firebird Shares held so long as such Dissenting Shareholder (i) does not vote any of his, her or its Firebird Shares in favour of the Arrangement Resolution, (ii) provides a Dissent Notice to the Company at its office at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B 4N5, at least two days before the date of the Meeting or any postponement(s) or adjournment(s) thereof, and (iii) otherwise complies with the requirements of the Plan of Arrangement and Division 2 of Part 8 of the BCBCA, as may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court. See the section of this Circular entitled "*Rights of Dissent*".

Stock Exchange Listings

The Firebird Shares are currently listed and traded on the Exchange and will continue to be listed on the Exchange following completion of the Arrangement. **The closing of the Arrangement is conditional on the Exchange approving the listing of the Newco Shares on the Exchange.**

Information Concerning the Company and Newco After the Arrangement

Following completion of the Arrangement, the Company will continue to own the Mineral Properties. The Company's material mineral property will be the Buzzard-Jefferson Property and will be the focus of its exploration and development activities on completion of the Arrangement. The Company's common shares will continue to be listed on the Exchange. Each Firebird Shareholder will continue to be a shareholder of the Company with each currently held Firebird Share representing one New Share in the capital of the Company and, other than as may be set forth in the Plan of Arrangement, each Firebird Shareholder as at the Effective Time on the Effective Date will receive such number of Newco Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor. See the section of this Circular entitled "*Firebird After the Arrangement*" for a summary description of the Company, assuming completion of the Arrangement, including selected *pro-forma* unaudited financial information for the Company.

Upon closing of the Arrangement, Newco will own the Assets, and the principal business of Newco will be the exploration and development of the RCU Property. See the section of this Circular entitled "*Newco After the Arrangement*" for a description of the RCU Property, corporate structure and business of Newco, including selected *pro-forma* unaudited financial information of Newco assuming completion of the Arrangement. In addition, following completion of the Arrangement, Newco will be a public company, the shareholders of which will be, other than as may be set forth in the Plan of Arrangement, the holders of Firebird Shares as at the Effective Time on the Effective Date, as well as the subscribers to the intended Private Placement of Newco. See the section of this Circular entitled "*Newco After the Arrangement – Share and Loan Capital*". Closing of the Arrangement is conditional upon the Newco Shares being listed on the Exchange.

Selected Unaudited *Pro-Forma* Consolidated Financial Information for the Company

The following selected unaudited *pro-forma* consolidated financial information for the Company is based on the assumptions described in the notes to the Company's unaudited *pro-forma* consolidated balance sheet as at January 31, 2011, attached to this Circular as Schedule "F". The *pro-forma* consolidated balance sheet has been prepared based on the assumptions that, among other things, the Arrangement and the Firebird Private Placement for 5,000,000 Firebird Units occurred on January 31, 2011.

	<i>Pro-forma as at January 31, 2011 on completion of the Arrangement (unaudited)</i>
Cash.....	\$ 2,862,456
Amounts receivable.....	12,652
Mineral properties.....	101,973
Total assets.....	<u>\$ 2,997,081</u>

Current liabilities.....	\$	139,109
Convertible debenture		76,288
Shareholders' Equity.....		2,761,684
Total liabilities and shareholders' equity	\$	<u>2,977,081</u>

Selected Unaudited Pro-Forma Consolidated Financial Information for Newco

The following selected unaudited *pro-forma* financial information for Newco is based on the assumptions described in the notes to the Newco unaudited *pro-forma* balance sheet as at January 31, 2011, attached to this Circular as Schedule "G". The *pro-forma* balance sheet has been prepared based on the assumptions that, among other things, the Arrangement and the Private Placement for 2,333,333 Newco Units had occurred on January 31, 2011.

		<i>Pro-forma as at January 31, 2011 on completion of the Arrangement (unaudited)</i>
Cash.....	\$	700,001
Mineral properties		390,228
Total assets.....	\$	<u>1,090,229</u>

Risk Factors

In considering whether to vote for the approval of the Arrangement, Firebird Shareholders should be aware that there are various risks, including those summarized below and described elsewhere in this Circular. Firebird Shareholders should carefully consider these risk factors, together with other information included in this Circular, before deciding whether to approve the Arrangement.

Newco will not have, upon completion of the Arrangement, any producing property. There is no assurance that commercial quantities of mineral resources will be discovered on the RCU Property, nor is there any guarantee that Newco's exploration program on the RCU Property will yield positive results. Newco has no source of revenue and will fund its exploration activities primarily from its working capital. Exploration, development and mining operations involve a high degree of risk that even a combination of experience, knowledge and careful evaluation may not be able to overcome. It will be necessary for Newco to raise additional funds to carry out further exploration and development of the Assets and to enable Newco to acquire any additional mineral properties. Newco may not be able to raise such funds on terms acceptable to it or at all, and if it does, the holders of Newco Shares may be diluted in their percentage shareholding in Newco. Newco's operations will be subject to regulatory and environmental control by, and require licenses, permits and approvals from, governmental bodies over which Newco has no control. See the section of this Circular entitled "*Risk Factors*".



MANAGEMENT INFORMATION CIRCULAR

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Circular is given as at April 26, 2011, unless otherwise noted.

No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice and Firebird Shareholders are urged to consult their own professional advisers in connection therewith.

Descriptions in the body of this Circular of the terms of the Arrangement Agreement and the Plan of Arrangement are merely summaries of the terms of those documents. Firebird Shareholders should refer to the full text of the Arrangement Agreement and the Plan of Arrangement for complete details of those documents. The full text of the Arrangement Agreement is attached to this Circular as Schedule "B" and the Plan of Arrangement is attached as Exhibit II to the Arrangement Agreement.

REPORTING CURRENCY

All amounts in this Circular are expressed in Canadian dollars, unless otherwise indicated.

FORWARD LOOKING STATEMENTS

Except for statements of historical fact contained herein, the information presented in this Circular constitutes "forward-looking statements" or "information" (collectively "**statements**") as such terms are used in the applicable Canadian securities laws and similar Canadian laws. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "estimates" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved) are not statements of historical fact and may be "forward-looking statements". Such forward-looking statements, including but not limited to those with respect to the price of metals, the timing and amount of estimated future mineralization and economic viability of properties, capital expenditures, costs and timing of exploration projects, permitting timelines, title to properties, the timing and possible outcome of pending exploration projects and other factors and events described in this Circular involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of each of the Company and Newco to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors include, among others, the actual results of exploration activities; variations in the underlying assumptions associated with conclusions of economic evaluations, including the timing and amount of estimated future production, costs of production, capital expenditures, the failure of any plant, equipment or processes to operate as anticipated and possible variations in ore grade or recovery rates; costs and timing of the acquisition of and development of new deposits; availability of capital to fund programs and the

resulting dilution caused by the raising of capital through the sale of shares; significant and increasing competition for mineral properties; accidents, labour disputes and other risks of the mining industry, including, without limitation, those associated with the environment, delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities, title disputes or claims limitations on insurance coverage and risks associated with international mineral exploration and development activities. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements contained in this Circular and in any documents incorporated into this Circular.

Forward-looking statements are made based on management's beliefs, estimates and opinions on the date the statements are made and the Company undertakes no obligation to update any forward-looking statement if these beliefs, estimates and opinions or other circumstances should change, except as may be required by applicable law.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is being furnished in connection with the solicitation by management of Firebird of proxies to be used at the Meeting for the purposes set out in the accompanying Notice of Meeting. It is expected that the solicitation will be made primarily by mail, but proxies may also be solicited personally or by telephone, email and facsimile, or other communication by directors, officers and consultants of Firebird (who will not be specifically remunerated therefore). The cost of this solicitation will be paid by Firebird.

The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining, from the principals of such persons, authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold Firebird Shares in their respective names to furnish this Circular and related proxy materials to their clients, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation, including the mailing of materials in connection with the Meeting, will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular.

Record Date

The Board has fixed 5:00 p.m. (Vancouver time) on April 26, 2011 as the Record for the determination of Firebird Shareholders of record that are entitled to receive notice of, attend and vote at the Meeting or any adjournment(s) or postponement(s) thereof. Holders of Firebird Shares who acquire Firebird Shares after the Record Date will not be entitled to vote such Firebird Shares at the Meeting. The failure of any Firebird Shareholder to receive notice of the Meeting does not deprive such Firebird Shareholder of the right to vote at the Meeting.

Voting by Proxyholder

On any ballot or poll, the Firebird Shares represented by proxy will be voted or withheld from voting in accordance with the instructions given in the proxy for any matter to be acted on and if the holder of such Firebird Shares specifies a choice with respect to any matter to be acted on, the Firebird Shares will be voted accordingly. **If a choice is not so specified for any such matter, the Firebird Shares represented by a proxy given to management will be voted in favour of the resolutions set out in the proxy.** The form of proxy accompanying this Circular gives discretionary authority to the proxy nominee for any amendments or variations to the matters identified in the notice of annual and special meeting and any other matters which may properly come before the Meeting, or any adjournment(s) or postponement(s) thereof. As of the date hereof, management is not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy will be voted on such matter in accordance with the best judgment of the person(s) voting the proxies.

Appointment of Proxyholders

A Firebird Shareholder has the right to appoint a person (who need not be a Firebird Shareholder) to attend and act for such Firebird Shareholder and on the Firebird Shareholder's behalf at the Meeting other than the person(s) named in the accompanying form of proxy and may exercise such right by inserting the name in full of the desired person in the blank space provided in the proxy and striking out the name(s) now designated. In order to be effective, proxies must be delivered to the Company, c/o Computershare Investor Services Inc., Attn.: Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment(s) or postponement(s) thereof. The time for the deposit of proxies may be waived by the Board at its discretion without notice. The proxy shall be in writing and executed by the respective Firebird Shareholder or such Firebird Shareholder's attorney authorized in writing, or if such Firebird Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney.

Revocation of Proxies

A Firebird Shareholder executing and delivering a proxy can revoke it by an instrument in writing signed by the Firebird Shareholder or by his or her attorney authorized in writing, or if the Firebird Shareholder is a corporation, under its corporate seal or by an authorized officer or attorney thereof, and delivered: (i) to the Chair of the Meeting prior to the commencement of the Meeting or any adjournment(s) or postponement(s) thereof; (ii) to Computershare no later than 5:00 p.m. (Vancouver time) on the last business day preceding the day of the Meeting, or any adjournment(s) or postponement(s) thereof; or (iii) in any other manner provided by law. A proxy is valid only in respect of the Meeting. A Firebird Shareholder can also revoke the proxy by completing and signing a proxy bearing a later date and depositing it with Computershare as described above, or by voting in person at the Meeting (although attendance at the Meeting will not in and of itself constitute a revocation of proxy). A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

Advice to Beneficial Firebird Shareholders

Certain Firebird Shareholders do not hold securities in their own name because they hold their securities through their brokers, intermediaries, banks, trustees or other persons or a clearing agency such as CDS Clearing and Depository Services Inc. (collectively, an "Intermediary"). **Firebird Shareholders who do not hold their respective securities in their own name (referred to in this Circular as "Non-Registered Shareholders") should note that only proxies deposited by Firebird Shareholders whose names appear on the records of the Company as the Registered Shareholders thereof are permitted to vote at the Meeting.** If shares are listed in an account statement provided to a Firebird Shareholder by a broker, then, in almost all cases, those securities will not be registered in the Firebird Shareholder's name on the records of the Company. Such securities will more likely be registered in the name of the broker or an agent of the broker. In Canada, such securities are generally registered under the name of "CDS & Co." (the registration name for CDS, which acts as a nominee for many Canadian brokerage firms). Securities held by brokers or their nominees can only be voted upon instructions of the Non-Registered Shareholder. Without specific instructions, brokers/nominees are prohibited from voting securities for their clients. The Company does not know for whose benefit the securities registered in the names of CDS & Co. are held. Therefore, Non-Registered Shareholders cannot be recognized at the Meeting for purposes of voting their Firebird Shares in person or by way of proxy.

Subject to the discussion below regarding Non-Objecting Beneficial Owners (as herein after defined), applicable regulatory policy requires Intermediaries to seek voting instructions from Non-Registered Shareholders in advance of the Meeting. Each Intermediary has its own mailing procedures and provides its own voting instructions to clients, which should be carefully followed by Non-Registered Shareholders to ensure that their Firebird Shares are voted at the Meeting. In accordance with applicable securities rules, the Company has distributed copies of the Meeting materials, being the Notice of Annual and Special Meeting, this Circular, a form of proxy and a letter of transmittal in respect of the Company's Firebird Shares to the Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders to seek their voting instructions in advance of the Meeting. Firebird Shares held by Intermediaries can only be voted in accordance with the instructions of the Non-Registered Shareholders. If you, as a Non-Registered Shareholder, wish to vote by proxy, you should carefully follow the instructions from the Intermediary in order to ensure that your Firebird Shares are voted at the Meeting. If you, as a Non-Registered Shareholder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting

instructions provided by the Intermediary and return the form to the Intermediary in accordance with the instructions provided.

There are two kinds of Non-Registered Shareholders: those who object to their name being made known to the issuers of securities which they own (called "OBOs" or "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" or "Non-Objecting Beneficial Owners"). The Company is able to request and obtain a list of its NOBOs from Intermediaries from its transfer agent, Computershare, for distribution of proxy-related materials directly to NOBOs. If the Company or its agent has sent these materials directly to you (instead of through an Intermediary), your name and address and information about your holdings of Firebird Shares have been obtained in accordance with applicable regulatory requirements from the Intermediary holding shares on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

Only Registered Shareholders have the right to revoke a proxy. OBOs and NOBOs who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set forth herein.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as described below, no informed person of the Company, proposed nominee for election as a director of the Company, nor any affiliate or associate of any such informed person or proposed nominee, had any material interest, direct or indirect, in any transaction since the beginning of the last financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

For the purposes of this Circular, an "informed person" means (i) a director or officer of the Company, (ii) a director or officer of a person or company that is itself an informed person, or (iii) any person or company who beneficially owns, directly or indirectly, and/or exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attaching to all outstanding voting securities of the Company.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

None of the proposed nominees for election as directors of the Company, none of the directors or senior officers of the Company, none of the persons who have been directors or senior officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than as may be disclosed herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Outstanding Firebird Shares

The Company is authorized to issue an unlimited number of Firebird Shares. As at the close of business on April 26, 2011, being the Record Date, there were 49,807,417 Firebird Shares issued and outstanding. The Firebird Shareholders are entitled to one vote for each Firebird Share held. Pursuant to the Option Agreement and the Arrangement, the Optioner Shares will not be voted on any matter that is to be voted upon at the Meeting.

Principal Holders of Firebird Shares

The following table lists, to the knowledge of the directors and executive officers of the Company, those persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, Firebird Shares carrying 10% or more of the voting rights attached to all of the issued and outstanding Firebird Shares as at the date hereof:

Name	Number of Firebird Shares	Percentage of Issued and Outstanding Firebird Shares
Pageland Minerals Ltd.	9,056,603 ⁽¹⁾	18.18%

Note:

- (1) Pursuant to the Option Agreement, the 9,056,603 Firebird Shares held by the Optioner will not be voted on any matter that is to be voted upon at the Meeting.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast in person or by proxy at the Meeting is required to pass the resolution(s) described herein as ordinary resolutions and an affirmative vote of 66 and 2/3rds of the votes cast in person or by proxy at the Meeting is required to pass the resolution(s) described herein as special resolutions.

If there are more nominees for election as directors than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected. If the number of nominees for election as directors is equal to the number of vacancies to be filled, all such nominees will be declared elected.

ELECTION OF DIRECTORS

Generally

At the Meeting, Firebird Shareholders will be asked to consider and pass an ordinary resolution fixing the number of directors to be elected at a maximum of three (3).

The Board is recommending three persons for election at the Meeting. Each of the three persons whose name appears below is proposed by the Board to be nominated for election as a director of the Company to hold office until the next annual meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the provisions of the BCBCA and the constating documents of the Company.

Proposed Directors

The following table (and notes thereto) states the name of each person proposed to be nominated by management for election as a director (each a "**proposed director**"), all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company and the number of Firebird Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name and Position with Company	Province and Country of Residence	Principal Occupation	Director Since	Firebird Shares Beneficially Owned or Controlled or Directed (#)
Thomas R. Tough ⁽¹⁾⁽²⁾⁽³⁾ Chair	British Columbia, Canada	President and Chief Executive Officer of Firebird from January 2010 to March 2011; President, Chief Executive Officer and a director since January 2006, June 2008, and October 2003, respectively, of Maxtech Ventures Inc.; President, Chief Executive Officer and a director from October 2009 until March 2011 of CLI Resources Inc.; a director since March 2006 of Desert Gold Ventures Inc.; President and Chief Executive Officer from November 2003 until November 2007 and a director from November 2003 until January 2011 of Potash One Inc.; and a director of Aroway Minerals Inc. from 2008 until 2010.	January 14, 2010	Nil ⁽⁴⁾
Ken Ralfs ⁽¹⁾⁽²⁾ Director	British Columbia, Canada	Geologist. President, Chief Executive Officer and a director since May 2009 of Mystique Energy Inc.; and a director of Dunes Exploration Ltd. since June 2004.	October 26, 2009	Nil ⁽⁵⁾

Name and Position with Company	Province and Country of Residence	Principal Occupation	Director Since	Firebird Shares Beneficially Owned or Controlled or Directed (#)
Glen Macdonald ⁽¹⁾⁽²⁾⁽⁶⁾ Director	British Columbia, Canada	Professional Geologist. Secretary and a director of Encore Renaissance Resources Corp. since April 1998.; a director of Dunes Exploration Ltd. since September 2003; a director of Firebird Capital Partners Inc. since November 2010; a director of Golden Cariboo Resources Ltd. since March 2003; a director of Maxim Resources Inc. since January 2004; a director of Mystique Energy, Inc. since April 2010; a director of Solitaire Minerals Corp. since January 2004; a director of Teslin River Resources Corp. since May 2004; a director of Thelon Ventures Ltd. since May 2003; a director of Vanguard Investments Corp. since November 2009; a director of Westminster Resources Ltd. since July 2008; a director of Westridge Resources Inc. since May 2010; and a director of WPC Resources Inc. since February 2010.	January 29, 2010	2,000,000 ⁽⁷⁾

Notes:

- (1) Member of the Audit Committee of the Company.
- (2) Member of the Compensation and Corporate Governance Committee of the Company.
- (3) Mr. Tough was appointed as President and Chief Executive Officer and director of the Company in January 2010 upon the resignation of E. Ross Peat. Mr. Tough resigned as President and Chief Executive Officer of the Company in March 2011.
- (4) The reported amount does not include 350,000 options to purchase Firebird Shares on a one-for-one basis.
- (5) The reported amount does not include 200,000 options to purchase Firebird Shares on a one-for-one basis.
- (6) Mr. Macdonald was appointed director of the Company in January 2010, upon the resignation of Michael Dyer.
- (7) The reported amount does not include 200,000 options to purchase Firebird Shares on a one-for-one basis. Mr. Macdonald also holds 2,000,000 Firebird Warrants to purchase Firebird Shares one a one-for-one basis.

Corporate Cease Trade Orders

Except as otherwise disclosed herein, no proposed director of the Company is, as of the date of this Circular, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, issued either while that person was acting in that capacity or after that person ceased to act in that capacity if it resulted from an event that occurred while that person was acting in that capacity.

Mr. Macdonald was a director of Corniche Capital Ltd. ("**Corniche**"), a capital pool company, when it was halted on August 4, 1999 and on October 5, 1999 for failure to complete a qualifying transaction within the required time. Corniche was reorganized as Printlux.com, Inc. and on August 23, 2001 it completed its qualifying transaction. Mr. Macdonald resigned as a director in August 2001 as part of this reorganization.

Mr. Macdonald has been a director of AVC Venture Corp. ("**AVC**"), a capital pool company, since November 1999. On November 25, 2002, AVC was halted for failure to complete a qualifying transaction within the required time. Trading was reinstated on December 15, 2003. AVC was again halted on June 6, 2006 for failure to complete a qualifying transaction. This halt was lifted in October 2009.

Mr. Macdonald has been a director of Dunes Exploration Ltd. (formerly Dynamic Resources Corp.) ("**Dunes**") since September 1993. On May 1, 2009, a management cease trade order was issued against the securities of Dunes held by Glen Macdonald for failure to file financial statements. The financial statements were subsequently filed, and the management cease trade order expired as of July 10, 2009.

Mr. Macdonald has been a director of Maxim Resources Inc. ("**Maxim**") since May 2002. On May 4, 2009, a cease trade order was issued against Maxim for failure to file financial statements. The financial statements were subsequently filed, and the cease trade order expired as of August 4, 2009.

Mr. Macdonald was a director of Wind River Resources Ltd. ("**Wind**") and on May 1, 2009, Mr. Macdonald was subject to a management cease trade order issued by the Alberta Securities Commission as a result of the failure of the company to make required filings. The order expired on July 10, 2009.

Mr. Macdonald was a director of Global Net Entertainment Corp. ("**Global**") when a cease trade order was issued against it by the British Columbia Securities Commission on September 29, 2003 for failure to file required financial information. A similar order was issued by the Alberta Securities Commission on October 10, 2003. The cease trade orders were revoked by both securities regulators on November 17, 2006.

Bankruptcies

No proposed director of the Company is, as of the date of this Circular, or has been within 10 years before the date hereof, a director or executive officer of any company that, while such 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.

No proposed director of the Company has, within 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 his assets.

Penalties or Sanctions

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 securityholder in deciding whether to vote for a proposed director.

EXECUTIVE COMPENSATION

Pursuant to applicable securities legislation, the Company is required to provide a summary of all annual compensation for services in all capacities to the Company and its subsidiaries for the most recently completed financial year in respect of the individuals comprised of the Chief Executive Officer, the Chief Financial Officer and each of the other three most highly compensated executive officers of the Company, whose total compensation for the most recently completed financial year exceeded \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was not serving as an officer at the end of the most recently completed financial year (the "**Named Executive Officers**" or "**NEOs**").

Compensation Discussion and Analysis

The Company relies solely on board discussion without any formal objectives, criteria and analysis in determining executive compensation, which may consist of base salary and option-based awards. The Company has established the Firebird Option Plan, which sets out certain terms and conditions (in compliance with the Exchange requirements) for the grant of stock options to directors, management, employees and consultants of the Company. Other than the Firebird Option Plan, no plan or policy has been established with respect to grants of options to Named Executive Officers to purchase Firebird Shares and such grants are made at the discretion of the Board, subject to compliance with the terms of the Firebird Option Plan.

Effective March 25, 2011, the Company established a Compensation and Corporate Governance Committee to, among other things, discharge the Board's responsibilities relating to compensation of the Company's directors and officers. The Compensation and Corporate Governance Committee shall periodically review the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and that compensation allows the Company to attract qualified candidates. The Compensation and

Corporate Governance Committee's review shall include an examination of publicly available data as well as independent compensation surveys as necessary.

Option-Based Awards

In granting options, the Board, in its discretion, reviews individual performance, positions held within the Company and the overall performance of the Company. Previous grants of options are taken into account by the Board when considering new grants to employees and executives of the Company.

The Compensation and Corporate Governance Committee of the Company will make recommendations to the Board regarding the approval of option grants to participants. For the grants to the Chief Executive Officer, the Compensation and Corporate Governance Committee will make a recommendation to the Board regarding the magnitude of such option grant. All option grants will continue to be based upon individual performance, positions held within the Company and the overall performance of the Company, and previous grants of options will be taken into account by the Chief Executive Officer and the Compensation and Corporate Governance Committee when considering new grants to employees and executives of the Company.

No options were granted pursuant to the Firebird Option Plan during the fiscal year ended April 30, 2010. None of the NEO's held any option-based awards as at April 30, 2010.

Summary Compensation Table

The following table is a summary of compensation paid to the NEO's for the financial years indicated:

Name and principal position	Year ended April 30,	Salary (\$)	Option-based awards (\$)	All other compensation (\$)	Total Compensation (\$)
E. Ross Peat <i>Former President and Chief Executive Officer</i> ⁽¹⁾	2010	15,000	Nil ⁽²⁾	Nil	15,000
	2009	15,000	Nil	Nil	15,000
Thomas R. Tough <i>Former President and Chief Executive Officer</i> ⁽³⁾	2010	Nil	Nil ⁽²⁾	Nil	Nil
Garth Sinclair <i>Former Chief Financial Officer</i> ⁽⁴⁾	2010	5,000	Nil ⁽²⁾	Nil	5,000
	2009	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. Peat resigned as President, Chief Executive Officer and as a director of the Company in January 2010.
- (2) The Company did not grant any options during the year ended April 30, 2010.
- (3) Mr. Tough was appointed as President and Chief Executive Officer of the Company in January 2010, upon the resignation of E Ross Peat. Mr. Tough resigned as President and Chief Executive Officer of the Company in March 2011 upon the appointment of John Cook as President and Chief Executive Officer of the Company.
- (4) Mr. Sinclair resigned as Vice President, Finance and Chief Financial Officer of the Company in March 2011 upon the appointment of Stephen Gledhill as Chief Financial Officer of the Company.

None of the NEO's held any option-based awards as at the end of April 30, 2010. No options were granted pursuant to the Firebird Option Plan during the fiscal year ended April 30, 2010.

Pension Plan Benefits

The Company does not provide any form of pension plan or other retirement benefit to the Named Executive Officers.

Termination and Change of Control Benefits

The Company does not have any agreements providing for any benefits or compensation to Named Executive Officers upon termination, resignation or retirement, or in the event of a change of control or a change in a named executive officer's responsibilities following a change of control of the Company.

Director Compensation

According to Firebird's Articles, Firebird's directors are entitled to receive remuneration for serving on the Board as the Board may determine from time to time and such remuneration may be in addition to the salary paid to a director in his or her capacity as an officer or employee. Firebird's directors may award special remuneration, without confirmation of same by Firebird Shareholders, to any director undertaking any services that, in the opinion of the Board, are outside the ordinary duties of a director or if he or she is specifically occupied in or about the Company's business other than as a director. Firebird's directors are entitled to be compensated for traveling and other expenses properly incurred by them in connection with Firebird's affairs.

Firebird does not currently compensate its directors and has no standard arrangement pursuant to which the Company's directors are compensated for their services in their capacity as directors. In addition, the Company did not pay any directors' fees, nor grant any stock options to its directors in the most recently completed financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out securities authorized for issuance under compensation plans as of April 30, 2010, the end of the Company's most recently completed financial year:

Plan Category	Number of Firebird Shares to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of Firebird Shares remaining available for future issuance under equity compensation plans (excluding Firebird Shares reflected in second column)
Equity compensation plans approved by security holders	Nil	Nil	3,879,084 ⁽¹⁾
Total	Nil	Nil	3,879,084 ⁽¹⁾

Note:

(1) Adjusted to take into account the 2:1 share split of the Firebird Shares on December 30, 2010.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date hereof, no individual who is, or at any time during the most recently completed financial year was, a director, or executive officer of the Company, proposed nominee for election as a director of the Company, or any associate of any such director, executive officer or proposed nominee, was, since May 1, 2009, indebted to the Company or any of its subsidiaries, or whose indebtedness to another entity is, or at any time since May 1, 2009 has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

CORPORATE GOVERNANCE DISCLOSURE

The disclosure noted below is in accordance with National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

Board of Directors

Currently, the Board is comprised of three members, of whom two are independent. The Board considers that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing the operations of the Company and have full access to management. The independent directors are also able to meet at any time without members of management and non-independent directors being present. The independent directors discharge their responsibilities for independent oversight of management through their representation on the Board.

Glen Macdonald and Ken Ralfs are independent in that each of them does not have a direct or indirect material relationship with the Company or one which could, in the view of the Board, be reasonably expected to interfere with the exercise of his independent judgment. Thomas R. Tough is not independent by virtue of having been President and Chief Executive Officer of the Company within the last three years.

Directorships

The directors of the Company are also directors of other reporting issuers as follows:

Name of Director	Name of Other Reporting Issuers
Thomas R. Tough	Desert Gold Ventures Inc. Grenville Gold Corp. Maxtech Ventures Inc.
Glen Macdonald	Mystique Energy Inc. Vanguard Investments Corp. Westridge Resources Inc. Westminster Resources Ltd. WPC Resources Inc. Golden Cariboo Resources Ltd. Maxim Resources Inc. Solitaire Minerals Corp. Teslin River Resources Corp. Dunes Exploration Ltd. Firebird Capital Partners Inc. Thelon Capital Ltd.
Ken Ralfs	Mystique Energy Inc. Dunes Exploration Ltd.

Orientation and Continuing Education

The Board does not have any formal procedures to orient new Board members nor does it have a formal policy of providing continuing education for directors. When a new director is appointed, he or she has the opportunity to meet other directors, executives, management and employees of the Company with orientation tailored to the needs and experience of the new director, as well as overall needs of the Board. New Board members are provided with information respecting the Company and its business and operations.

The Company generally relies upon the advice of its professional advisors to update the knowledge of its Board members in respect of changes in relevant policies and regulations. A number of directors are also directors of other publicly traded companies and are benefiting from exposure to mineral exploration and development operations. New Board members are generally selected on the basis of their breadth of experience with respect to the expiration and development of mineral properties, having regard to the requirements for appropriate skill sets required by the Company.

As an ongoing process, the Board considers executive and management development (including training and monitoring of senior executives and management). Board members are encouraged to communicate with executives, management, auditors and technical consultants to keep themselves current with the business and affairs of the Company and with respect to developments within the mining industry. Board members have free and full access to the Company's records at all times.

Ethical Business Conduct

Although the Company has not adopted a formal code of ethics, the directors and management of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. The directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

Each director, officer and employee in the exercise of his or her duties and responsibilities must act honestly and in good faith in the best interest of the Company and in compliance with applicable laws, rules and regulations. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Effective March 25, 2011, the Company established the Compensation and Corporate Governance Committee. The Compensation and Corporate Governance Committee shall be responsible for making recommendations as to nominees to the Board and assessing the performance of the members of the Board on an ongoing basis. On an annual basis, the Compensation and Corporate Governance Committee shall review its strategies to determine the composition of the Board and the appropriate candidates to be put forth for election as directors at annual meetings. The review shall take into account the desirability of maintaining a balance of skills, experience, and background required for the discharge of its fiduciary duty to the Company.

Compensation

The Compensation and Corporate Governance Committee was established by the Board to, among other things, discharge the Board's responsibilities relating to compensation of the Company's directors and officers. The Compensation and Corporate Governance Committee shall periodically review the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and that compensation allows the Company to attract qualified candidates. Such review shall include an examination of publicly available data as well as independent compensation surveys.

The Compensation and Corporate Governance Committee shall annually review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer, evaluate the Chief Executive Officer's performance in light of those goals and objectives and set the Chief Executive Officer's compensation level based on this evaluation. In addition, the Compensation and Corporate Governance Committee shall review and approve compensation of the Chief Executive Officer and review compensation of other executive officers, including salary, bonus and incentive compensation levels, deferred compensation, executive perquisites, equity compensation (including awards to induce employment), severance arrangements, change in control benefits and other forms of executive officer compensation. The Compensation and Corporate Governance Committee shall meet without the presence of other executive officers when approving the Chief Executive Officer's compensation but may invite the Chief Executive Officer to be present during approval of compensation of other executive officers.

Other Board Committees

The Board does not have any standing committees other than the Company's Audit Committee and Compensation and Corporate Governance Committee.

Assessments

The Board is required to establish appropriate practices for the regular evaluation of the effectiveness of the Board, its committees and its members. Such assessment considers:

- (i) in the case of the Board or a Board committee, its mandate or charter; and
- (ii) in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

The Compensation and Corporate Governance Committee shall be responsible for assessing the effectiveness of the Board and the committees of the Board. The Compensation and Corporate Governance Committee shall recommend to the Board any changes that would enhance the performance of the Board based on a variety of assessment criteria.

MANAGEMENT CONTRACTS

To the best of the knowledge of the directors and officers of the Company, as at the date hereof, management functions of the Company are not, to any substantial degree, performed by a person other than the directors and executive officers of the Company.

APPOINTMENT OF AUDITOR

Management of the Company will recommend at the Meeting that Firebird Shareholders appoint Saturna Group Chartered Accountants LLP as auditors of the Company, to hold office until the next annual meeting of shareholders of the Company, and to authorize the directors to fix their remuneration.

Effective June 7, 2010, Stout & Company LLP, Chartered Accountants resigned as auditors of the Company. Stout & Company LLP had been auditors of the Company since June 20, 2006. In replacement thereof, and in accordance with the provisions of NI 51-102, the Board appointed, upon recommendation from the Audit Committee, Saturna Group Chartered Accountants LLP as auditors of the Company effective June 7, 2010.

In accordance with the requirements of NI 51-102, attached hereto as Schedule "M" is a copy of the reporting package related to the resignation of Stout & Company LLP as former auditors and the appointment of Saturna Group Chartered Accountants LLP as successor auditors of the Company.

AUDIT COMMITTEE DISCLOSURE

Composition of the Audit Committee

The Audit Committee is currently composed of Thomas R. Tough, Ken Ralfs and Glen Macdonald. Each member of the Audit Committee is financially literate and Ken Ralfs and Glen Macdonald are independent members. Mr. Tough is not an independent member of the Audit Committee by virtue of being President and Chief Executive Officer of the Company within the last three years.

Relevant Education and Experience

The following relevant education and experience of the members of the Audit Committee has been used in assessing their financial literacy:

Thomas R. Tough

Mr. Tough has extensive experience with public companies as a director and through a wide variety of officer positions held with various reporting issuers. Mr. Tough has acted in each respective capacity with a focus of participation on each Company's audit committee. Mr. Tough has a BSc. (1965) from the University of British Columbia and has been a member of the British Columbia Association of Professional Engineers and Geoscientists since 1970 as a Professional Engineer.

Ken Ralfs

Mr. Ralfs has experience with public companies as a director and through several types of officer positions held with various reporting issuers. Mr. Ralfs often participated on each Company's audit committee. Mr. Ralfs has a B.Sc. (Geology) (1975) from the University of British Columbia.

Glen Macdonald

Mr. Macdonald has extensive experience with public companies as a director and through a wide variety of officer positions held with various reporting issuers. Mr. Macdonald has acted in each respective capacity with a focus of participation on each Company's audit committee. Mr. Macdonald has a BSc. (1973) from the University of British Columbia and has been a member of the Alberta Professional Engineers, Geologists and Geophysicists Association since 1982 and of the British Columbia Association of Professional Engineers and Geoscientists since 1993.

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 adopted by the Board.

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 (*Exemptions*) of NI 52-110.

Pre-approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee's charter attached hereto as Schedule "K".

External Auditor Service Fees (by category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending April 30,	Audit Fees	Audit Related Fees	Tax Fees⁽¹⁾	All Other Fees
2010	\$10,000	Nil	\$800	Nil
2009	\$19,900	\$7,700	\$1,275	Nil

Notes:

(1) Fees billed for professional services rendered by the Company's external auditor for tax compliance, tax advice and/or tax planning.

Exemption

The Company is relying on section 6.1 of NI 52-110, which exempts the Company from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Audit Committee Charter

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

THE ARRANGEMENT

General

The Arrangement has been proposed to facilitate the separation of the exploration and development of the Assets from the exploration and development of the Mineral Properties. Pursuant to the Arrangement, a separate company, Newco, currently a wholly-owned subsidiary of the Company, will acquire all of the Company's interest in and to the Assets for consideration consisting of the Distributed Newco Shares. Concurrently with the closing of the Arrangement, Newco intends to complete the Private Placement for aggregate gross proceeds of up to \$700,000. In the event that Newco does not complete the Private Placement, or if the amount raised thereunder is insufficient to allow Newco to fund its business activities and to meet its working capital needs for the twelve-month period following the Listing Date, then Firebird shall advance the Loan to Newco. See the section of this Circular entitled "*Newco After the Arrangement – Newco's Business - Liquidity and Capital Resources*". The Company will focus its operations on the exploration and development of the Buzzard-Jefferson Property as well as the acquisition and exploration of additional mining properties as such opportunities arise. Other than as may be set forth in the Plan of Arrangement, each Firebird Shareholder of record as at the Effective Time on the Effective Date will, immediately after the Effective Date, hold one New Share for each Firebird Share held immediately prior to the Arrangement, which will be identical in every material respect to the present Firebird Shares, and each Firebird Shareholder of record as of the Effective Time on the Effective Date will receive such number of Newco Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor. See the sections of this Circular entitled "*The Arrangement – Details of the Arrangement*" and "*Newco After the Arrangement*".

Reasons for the Arrangement

The Board has determined that the Company should concentrate its efforts on the exploration and development of the Mineral Properties, and in particular the Buzzard-Jefferson Property. To this end, the Board approved a reorganization of the Company pursuant to the Arrangement as described in this Circular.

The Board is of the view that the Arrangement will benefit the Company and the Firebird Shareholders. This conclusion is based on the following primary determinations:

1. the Company's primary focus is the exploration and development of the Buzzard-Jefferson Property. This focus will hamper the exploration and development of the RCU Property, which is expected to be the principal mineral property of Newco on completion of the Arrangement;
2. the formation of Newco to hold the Assets will facilitate separate fund-raising, exploration and development strategies for the RCU Property required to move the RCU Property forward;
3. the formation of Newco and the distribution of Newco Shares to Firebird Shareholders will give Firebird Shareholders a direct interest in a new exploration company that will focus on the exploration and development of the Assets, and in particular the RCU Property, as well as the potential acquisition and development of new properties in districts and areas with known potential for high margin deposits;
4. the Board believes that ownership by Newco of the Assets will enable the Assets to be more appropriately valued in the public market. The separation of the Assets from the Company will allow investors to more accurately value Newco on a stand-alone basis against similar mineral exploration companies and industry benchmarks, thereby enhancing the likelihood that Newco will achieve appropriate market recognition. This will allow the holders of Newco Shares to realize value which the Board believes should be attributed to the separate entity;
5. as a separate public company, Newco will have direct access to public and private capital markets and will be able to issue debt and equity to fund exploration of the RCU Property and to finance the acquisition and exploration of any new properties on a priority basis; and
6. as a separate public company, Newco will be able to establish equity based compensation programs to enable it to better attract, motivate and retain directors, officers and key employees, thereby better aligning management and employee incentives with the interests of shareholders.

Recommendation of Directors

The Board approved the Arrangement and authorized the submission of the Arrangement to the Firebird Shareholders and the Court for approval. **The Board has concluded that the Arrangement is in the best interests of the Company and the Firebird Shareholders, and recommends that the Firebird Shareholders vote FOR the Arrangement Resolution at the Meeting.** In reaching this conclusion, the Board considered the benefits to the Company and the Firebird Shareholders, as well as the financial position, opportunities and the outlook for the future potential and operating performance of the Company and Newco.

Fairness of the Arrangement

The Arrangement was determined to be fair to the Firebird Shareholders by the Board based upon the following factors, among others:

1. the procedures by which the Arrangement will be approved, including the requirement for 66 and 2/3rds Firebird Shareholder approval and approval by the Court after a hearing at which fairness will be considered;
2. the proposed listing of the Newco Shares on the Exchange and the continued listing of Firebird's common shares on the Exchange;
3. the opportunity for Firebird Shareholders who are opposed to the Arrangement, upon compliance with certain conditions, to dissent from the approval of the Arrangement and to be paid fair value for their Firebird Shares; and

4. each Firebird Shareholder as at the Effective Time on the Effective Date will participate in the Arrangement such that each Firebird Shareholder, upon completion of the Arrangement, will continue to hold substantially the same *pro-rata* interest that such Firebird Shareholder held in the Company prior to completion of the Arrangement and each such Firebird Shareholder will hold substantially the same *pro-rata* interest in Newco through its direct holdings of Newco Shares rather than indirectly through the Company's holding of Newco Shares, except that, pursuant to the Option Agreement and the Arrangement, the Optioner will not receive any Newco Shares pursuant to the Arrangement.

Details of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Arrangement Agreement, a copy of which is annexed as Schedule "B" to this Circular, and the Plan of Arrangement, which forms Exhibit II to the Arrangement Agreement. Each of these documents should be read carefully in their entirety.

Pursuant to the Plan of Arrangement, save and except for Dissenting Shares, the following principal steps will occur and be deemed to occur in the following chronological order as part of the Arrangement:

- (a) the Company will transfer the Assets to Newco in consideration for the Distributed Newco Shares and the Company will be added to the central securities register of Newco in respect of such Newco Shares;
- (b) the authorized share capital of the Company will be changed by:
 - (i) altering the identifying name of the Firebird Shares to class A common shares without par value, being the Firebird Class A Shares,
 - (ii) creating a class consisting of an unlimited number of common shares without par value, being the New Shares, and
 - (iii) creating a class consisting of an unlimited number of class B preferred shares without par value, having the rights and restrictions described in Exhibit III to the Arrangement Agreement, being the Firebird Class B Preferred Shares;
- (c) each issued Firebird Class A Share (other than the Optioner Shares) will be exchanged for one New Share and one Firebird Class B Preferred Share and, subject to the exercise of a right of dissent, the holders of the Firebird Class A Shares (other than the Optioner) will be removed from the central securities register of the Company and will be added to that central securities register as the holders of the number of New Shares and Firebird Class B Preferred Shares that they have received on the exchange;
- (d) each issued Optioner Share will be exchanged for one New Share and the Optioner will be removed from the central securities register of the Company and will be added to that central securities register as the holder of the number of New Shares that it has received on the exchange;
- (e) all of the issued Firebird Class A Shares will be cancelled with the appropriate entries being made in the central securities register of the Company, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Firebird Class A Shares immediately prior to the Effective Date will be allocated between the New Shares and the Firebird Class B Preferred Shares so that the aggregate paid-up capital of the Firebird Class B Preferred Shares is equal to the aggregate fair market value of the Distributed Newco Shares as of the Effective Date, and each Firebird Class B Preferred Share so issued will be issued by the Company at an issue price equal to such aggregate fair market value divided by the number of issued Firebird Class B Preferred Shares, such aggregate fair market value of the Distributed Newco Shares to be determined as at the Effective Date by the board of directors of the Company;
- (f) the Company will redeem the issued Firebird Class B Preferred Shares for consideration consisting solely of the Distributed Newco Shares such that each holder of Firebird Class B Preferred Shares will, subject to the rounding of fractions and the exercise of rights of dissent,

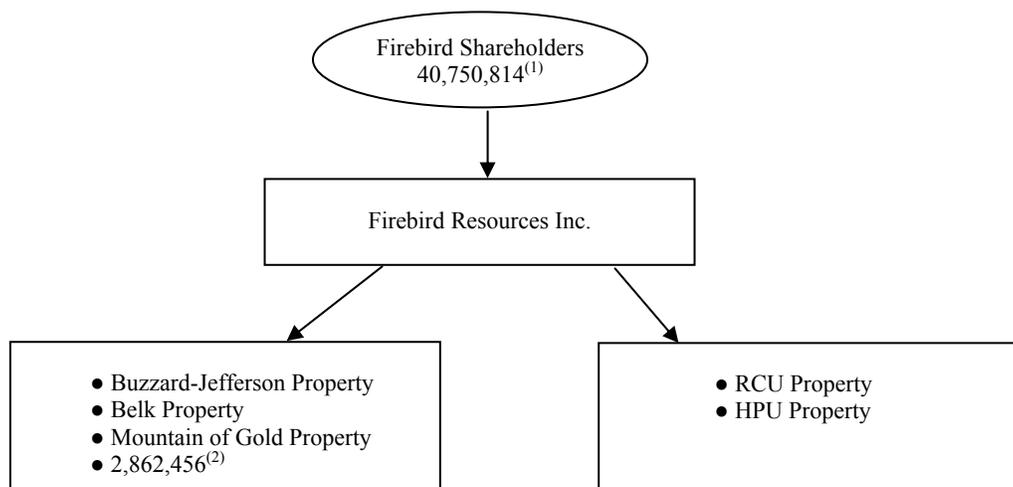
receive that number of Newco Shares that is equal to the number of Firebird Class B Preferred Shares held by such holder multiplied by the Exchange Factor;

- (g) the name of each holder of Firebird Class B Preferred Shares will be removed as such from the central securities register of the Company, and all of the issued Firebird Class B Preferred Shares will be cancelled with the appropriate entries being made in the central securities register of the Company;
- (h) the Distributed Newco Shares transferred to the holders of the Firebird Class B Preferred Shares pursuant to step §(f) above will be registered in the names of the former holders of Firebird Class B Preferred Shares and appropriate entries will be made in the central securities register of Newco;
- (i) the Firebird Class A Shares and the Firebird Class B Preferred Shares, none of which will be allotted or issued once the steps referred to in steps §(c) to §(g) above are completed, will be cancelled and the authorized share structure of the Company will be changed by eliminating the Firebird Class A Shares and the Firebird Class B Preferred Shares therefrom; and
- (j) each Firebird Warrant held by a Firebird Warrantholder will be exchanged for one (1) New Firebird Warrant and one-half of one (1) Newco Warrant and the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever.

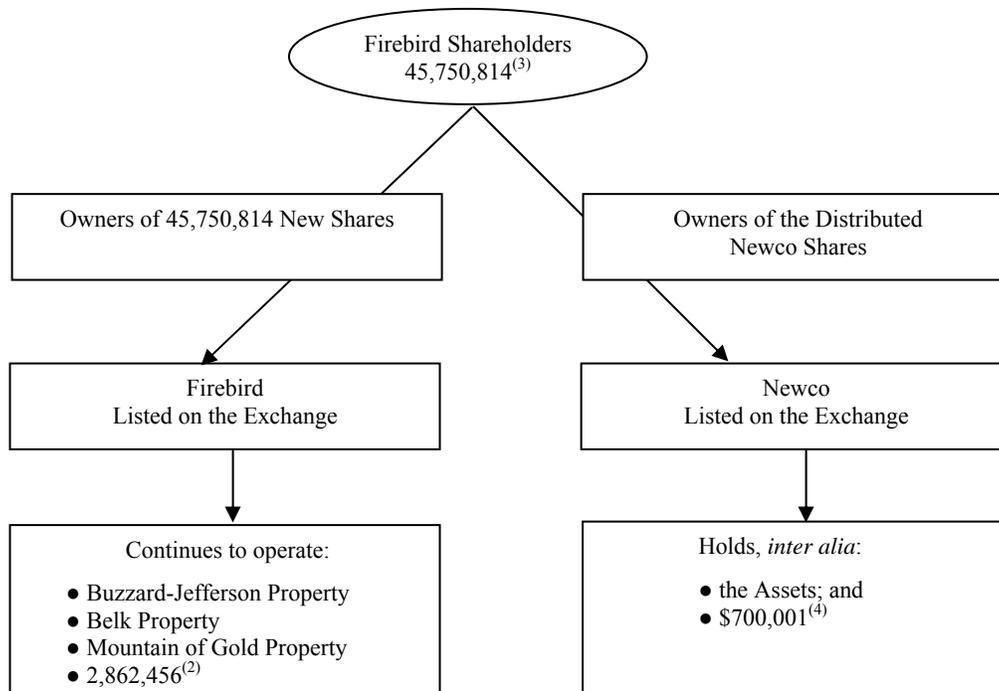
In addition to the chronological order in which the transactions and events set out above shall occur and shall be deemed to occur, the time on the Effective Date for the redemption of the Firebird Class B Preferred Shares set out in (f) above shall occur and shall be deemed to occur immediately after the time of listing of the Firebird Class B Preferred Shares on the Exchange on the Effective Date. The Arrangement shall become final and conclusively binding on the Firebird Shareholders, the Newco Shareholders, Firebird and Newco at the Effective Time on the Effective Date.

The effect of the Arrangement can be summarized by the following diagrams:

CURRENT STATUS



FINAL STRUCTURE



Notes:

- (1) Issued and outstanding Firebird Shares as at April 26, 2011, excluding the 9,056,603 Optioner Shares.
- (2) Unaudited, as at January 31, 2011, after giving effect to the Arrangement and the Firebird Private Placement.
- (3) Assuming completion of the Firebird Private Placement, but excluding the 9,056,603 Optioner Shares.
- (4) Unaudited, as at January 31, 2011, after giving effect to the Arrangement and the Private Placement.

Authority of the Board

By passing the Arrangement Resolution, the Firebird Shareholders will also be giving authority to the Board to use its best judgment to proceed with and cause the Company to complete the Arrangement without any requirement to seek or obtain any further approval of the Firebird Shareholders.

The Arrangement Resolution also provides that the Plan of Arrangement may be amended by the Board before or after the Meeting without further notice to Firebird Shareholders. The Board has no current intention to amend the Plan of Arrangement; however, it is possible that the Board may determine that it is appropriate that amendments be made.

Conditions to the Arrangement

The Arrangement Agreement provides that the Arrangement will be subject to the fulfillment of certain conditions, including the following:

1. the Arrangement Agreement must be approved by the Firebird Shareholders at the Meeting in the manner referred to in the section of this Circular entitled "*The Arrangement - Shareholder Approval*";
2. the Arrangement must be approved by the Court in the manner referred to in the section of this Circular entitled "*The Arrangement - Court Approval of the Arrangement*";
3. the Arrangement and this Agreement, with or without amendment, shall have been approved by the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, in the manner referred to in the section of this Circular entitled "*The Arrangement - Shareholder Approval*";
4. the Exchange must have conditionally accepted the Arrangement, including the listing of the Firebird Class A Shares, the listing of the Firebird Class B Preferred Shares, the delisting of the Firebird Class A Shares, the delisting of the Firebird Class B Shares, the listing of the New Shares and the listing of the Newco Shares all as of the Effective Date, subject to compliance with the requirements of the Exchange;
5. all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders, required, necessary or desirable for the completion of the Arrangement must have been obtained or received, each in a form acceptable to the Company and Newco; and
6. the Arrangement Agreement must not have been terminated.

If any of the conditions set out in the Arrangement Agreement are not fulfilled or performed, the Arrangement Agreement may be terminated, or, in certain cases, the Company or Newco, as the case may be, may waive the condition in whole or in part. As soon as practicable after the fulfillment of the conditions contained in the Arrangement Agreement, the Board intends to cause the Notice of Alteration filed with the Registrar under the BCBCA, together with such other material as may be required by the Registrar, in order that the Arrangement will become effective.

Management of the Company believes that all material consents, orders, regulations, approvals or assurances required for the completion of the Arrangement will be obtained in the ordinary course upon application therefor.

Shareholder Approval

Firebird Securityholder Approval

In order for the Arrangement to become effective, the Arrangement Resolution must be passed, with or without variation, by a special resolution of at least 66 and 2/3rds of the eligible votes cast in respect of the Arrangement Resolution by Firebird Shareholders present in person or by proxy at the Meeting. Pursuant to the Option Agreement and the Arrangement, the Optioner will not vote on any matter voted upon at the Meeting.

Prior to the completion of the Arrangement, the Company will seek consent and approval of the Arrangement from the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, as determined at the Record Date by separate unanimous consent resolutions.

Newco Shareholder Approval

The Company, being the sole shareholder of Newco, has approved the Arrangement by a consent resolution.

Court Approval of the Arrangement

The Arrangement as structured requires the approval of the Court. Prior to the mailing of this Circular, the Company obtained the Interim Order authorizing the calling and holding of the Meeting and providing for certain other procedural matters. The Interim Order is attached as Schedule "C" to this Circular. The Notice of Hearing for the Final Order is attached as Schedule "D" to this Circular.

Assuming approval of the Arrangement Resolution by the Firebird Shareholders at the Meeting, the hearing for the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on Tuesday, June 14, 2011 at the Law Courts, 800 Smithe Street, Vancouver, British Columbia, or at such other date and time as the Court may direct. At this hearing, any securityholder or creditor of the Company who wishes to participate or to be represented or present evidence or argument may do so, subject to filing an appearance and satisfying certain other requirements.

The Court has broad discretion under the BCBCA when making orders in respect of arrangements and the Court may approve the Arrangement as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks appropriate. The Court, in hearing the application for the Final Order, will consider, among other things, the fairness of the terms and conditions of the Arrangement to the Firebird Shareholders.

Proposed Timetable for Arrangement

The anticipated timetable for the completion of the Arrangement and the key dates proposed are as follows:

Annual and Special Meeting:	June 10, 2011
Final Court Approval:	June 14, 2011
Effective Date:	June 16, 2011
Mailing of Certificates for Newco Shares and Newco Warrants:	June 16, 2011

Notice of the actual Effective Date will be given to the Firebird Shareholders through one or more news releases. The board of directors of each of the Company and Newco, respectively, will determine the Effective Date upon satisfaction of all of the conditions to the Arrangement.

Effect of Arrangement on Outstanding Firebird Convertible Securities

Firebird Warrants

Firebird Warrantholders of record as at the Effective Time on the Effective Date shall receive, in exchange for each Firebird Warrant then held, one New Firebird Warrant and one-half of one Newco Warrant, and all of the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever. Each New Firebird Warrant and each Newco Warrant issued pursuant to the Plan of Arrangement in exchange for a Firebird Warrant shall: (i) have an exercise price equal to the existing price of the Firebird Warrants being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged.

Firebird Options

The Firebird Optionholders of record as at the Effective Time on the Effective Date shall not receive any new securities of Firebird or Newco in exchange for the Firebird Options then held in connection with the Arrangement,

nor, on exercise of the Firebird Options during the term thereof, shall the holders thereof be entitled to any securities of Newco. On exercise of the Firebird Options in accordance with the terms thereof, a holder of Firebird Options shall, as a result of the Arrangement, be entitled to New Shares in lieu of Firebird Shares. Other than as set forth herein, the terms and conditions of the Firebird Options shall be unaffected by the Arrangement.

Firebird Debentures

The Firebird Debentureholders of record as at the Effective Time on the Effective Date shall not receive any new securities of Firebird or Newco in exchange for the Firebird Debentures then held in connection with the Arrangement, nor, on conversion of the Firebird Debentures during the term thereof, shall the holders thereof be entitled to any securities of Newco. On conversion of the Firebird Debentures in accordance with the terms thereof, a holder of Firebird Debentures shall, as a result of the Arrangement, be entitled to New Shares in lieu of Firebird Shares. Other than as set forth herein, the terms and conditions of the Firebird Debentures shall be unaffected by the Arrangement.

Distribution of Certificates

Exchange of Firebird Shares

At the Effective Time, the share certificates representing, on their face, Firebird Shares, will be deemed under the Plan of Arrangement to represent New Shares and, other than the Optioner Shares, an entitlement to receive Newco Shares in accordance with the terms of the Arrangement. After the Effective Time, the share certificates representing, on their face, Firebird Shares will be deemed to represent only New Shares with no right to receive Newco Shares.

No new share certificates will be issued for the New Shares created under the Arrangement and therefore holders of Firebird Shares must retain their certificates as evidence of their ownership of New Shares. Certificates representing, on their face, Firebird Shares will constitute good delivery in connection with the sale of New Shares completed through the facilities of the Exchange on and after the Effective Time.

Other than as may be set forth in the Plan of Arrangement, as soon as practicable after the Effective Date, share certificates representing the appropriate number of Newco Shares will be sent to all Firebird Shareholders of record as at the Effective Time on the Effective Date.

Exchange of Firebird Warrants

Firebird Warrantholders are not required to deposit certificates representing such warrants. Upon the Arrangement becoming effective, certificates representing Firebird Warrants will represent New Firebird Warrants. **No new warrant certificates will be issued for the New Firebird Warrants, and therefore holders of Firebird Warrants must retain their certificates as evidence of their ownership of New Firebird Warrants.**

As soon as practicable after the Effective Date, warrant certificates representing the appropriate number of Newco Warrants will be sent to all Firebird Warrantholders of record as at the Effective Time on the Effective Date at the address for each holder on the records of Firebird.

Relationship Between the Company and Newco after the Arrangement

On completion of the Arrangement, each of the directors of Firebird will be a director of Newco. Additionally, Mr. Thomas Tough, a director and former Chief Executive Officer and President of the Company, will be the Chief Executive Officer of Newco. See the section of this Circular entitled "*Newco After the Arrangement — Directors and Officers of Newco*".

Resale of New Shares and Newco Shares

Exemption from Canadian Prospectus Requirements and Resale Restrictions

The securities of Firebird and Newco issued to Firebird securityholders pursuant to the Arrangement will be made pursuant to exemptions from the registration and prospectus requirements contained in applicable provincial securities legislation in Canada. Under applicable provincial securities laws, the New Shares and Newco Shares may be resold in Canada without hold period restrictions, provided the sale is a "control distribution" as defined by

applicable securities laws, no unusual effort is made to prepare the market or create a demand for the securities, no extraordinary commission or consideration is paid in respect of the sale and, if the selling security holder is an insider or officer, the selling security holder has no reasonable grounds to believe that Firebird or Newco, as the case may be, is in default of securities legislation. In addition, existing hold periods on any Firebird Shares in effect on the Effective Date will be carried forward to the New Shares and New Firebird Shares.

The foregoing discussion is only a general overview of the requirements of Canadian securities laws for the resale of the New Shares and the Newco Shares received upon completion of the Arrangement. There may also be restrictions placed on resale of the New Shares by the rules and policies of the Exchange. All holders of Firebird Shares are urged to consult with their own legal counsel to ensure that any resale of their New Shares and Newco Shares complies with applicable securities legislation.

Application of United States Securities Laws

The offer and sale of the securities to be issued to securityholders under the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States. Such securities will be issued in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act. Section 3(a)(10) exempts securities issued in exchange for one or more outstanding securities from the general requirement of registration where the terms and conditions of such issuance and exchange are approved by any court of competent jurisdiction, after a hearing upon the fairness of such terms and conditions at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. The Court granted the Interim Order on May 13, 2011 and, subject to the approval of the Arrangement by Firebird Shareholders, a hearing on the Arrangement will be held on, June 14, 2011 by the Court. The Final Order, if granted, will constitute the basis for the Section 3(a)(10) exemption from the registration requirements of the U.S. Securities Act.

The New Firebird Warrants and the Newco Warrants and securities issuable pursuant thereto have not been and will not be registered under the U.S. Securities Act or any state securities law, and may not be exercised or otherwise converted in the United States or by or on behalf of a person in the United States or a U.S. person unless an exemption from registration is available.

The securities to be issued to securityholders under the Arrangement will (to the extent such securities are, by their terms, transferable) be freely tradable under U.S. federal securities laws, except by persons who are "affiliates" of Firebird after the Arrangement or within 90 days prior to the Arrangement. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such securities by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, affiliates may be able to resell securities outside the United States without registration under the U.S. Securities Act pursuant to the requirements and restrictions under Regulation S. If available, such affiliates (and former affiliates) may also resell such securities pursuant to Rule 144 under the U.S. Securities Act subject to compliance with all of the requirements of Rule 144.

The foregoing discussion is only a general overview of certain requirements of United States securities laws applicable to the resale of the securities received upon completion of the Arrangement. All holders of securities received in connection with the Arrangement are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

Additional Information for U.S. Security Holders

THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR AND ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Residents of the United States should be aware that such requirements are different than those of the United States applicable to proxy statements under the U.S. Exchange Act. Likewise, information concerning the RCU Property and the Buzzard-Jefferson Property and operations of the Company and Newco have been prepared in accordance with Canadian standards, and may not be comparable to similar information for United States companies. See the sections of this Circular entitled "*Notice to Shareholders in the United States*".

Financial statements included herein have been prepared in accordance with generally accepted accounting principles and are subject to auditing and auditor independence standards in Canada, and thus may not be comparable to financial statements of United States companies. Firebird Shareholders should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. See the section of this Circular entitled "*Income Tax Considerations — Certain U.S. Federal Income Tax Considerations*" for certain information concerning United States tax consequences of the Arrangement for investors who are resident in, or citizens of, the United States.

The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company and Newco are incorporated or organized under the laws of a foreign country, that some or all of their officers and directors and any experts named herein may be residents of a foreign country, and that all or a substantial portion of the assets of the Company and Newco and said persons may be located outside the United States.

Expenses of Arrangement

Pursuant to the Arrangement Agreement, the costs relating to the Arrangement, including without limitation, financial, advisory, accounting, and legal fees will be borne by the party incurring them. The costs of the Arrangement to the Effective Date will be borne by the Company.

INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The following is a summary of the principal Canadian federal income tax considerations relating to the Arrangement applicable to a Firebird Shareholder (in this summary, a "**Holder**") who, at all material times for purposes of the Tax Act:

- holds all Firebird Shares, and will hold all New Shares and Newco Shares, solely as capital property;
- deals at arm's length with Firebird and Newco;
- is not "affiliated" with the Company or Newco;
- is not a "financial institution" for the purposes of the mark-to-market rules in the Tax Act; and
- has not acquired Firebird Shares on the exercise of an employee stock option.

Firebird Shares, New Shares and Newco Shares generally will be considered to be capital property of the Holder unless the Holder holds the shares in the course of carrying on a business or acquired them in a transaction considered to be an adventure in the nature of trade.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Regulations**"), and counsel's understanding of the current administrative practices and policies of the Canada Revenue Agency (the "**CRA**"). It also takes into account specific proposals to amend the Tax Act and Regulations (the "**Proposed Amendments**") announced by the Minister of Finance (Canada) prior to the date hereof. It is assumed that all Proposed Amendments will be enacted in their present form, and that there will be no other relevant change to any relevant law or administrative practice, although no assurances can be given in these respects. This summary does not take into account any provincial, territorial or foreign income tax considerations which may differ from the Canadian federal income tax considerations discussed below. An advance income tax ruling will not be sought from the CRA in respect of the Arrangement.

This summary also assumes that at the Effective Date under the Arrangement and all other material times thereafter,

- the Firebird Shares and the Firebird Class B Preferred will be listed on the Exchange, and
- the paid-up capital of the Firebird Class A Shares (the redesignated Firebird Shares) as computed for the purposes of the Tax Act will not be less than the fair market value of the Assets to be transferred to Newco pursuant to the Arrangement,

and is qualified accordingly.

This summary is of a general nature only, and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not intended to be, and should not be construed to be, legal or tax advice to any Firebird Shareholder. Accordingly, Firebird Shareholders should each consult their own tax and legal advisers for advice as to the income tax consequences of the Arrangement applicable to them in their particular circumstances.

Holdings Resident in Canada

The following portion of the summary is applicable only to Holders (each, in this portion of the summary, a "**Resident Holder**") who are or are deemed to be residents in Canada for the purposes of the Tax Act.

Exchange of Firebird Shares for New Shares and Firebird Class B Preferred Shares

A Resident Holder who's Firebird Class A Shares (the redesignated Firebird Shares) are exchanged for New Shares and Firebird Class B Preferred Shares pursuant to the Arrangement will not realize any capital gain or loss as a result of the exchange. The Resident Holder will be required to allocate the adjusted cost base ("**ACB**") of the Holder's Firebird Shares, determined immediately before the Arrangement, *pro-rata* to the New Shares and Firebird Class B Preferred Shares received on the exchange based on the relative fair market values of those New Shares and Firebird Class B Preferred Shares immediately after the exchange.

Redemption of Firebird Class B Preferred Shares

Pursuant to the Arrangement, the paid-up capital of the Firebird Class A Shares immediately before their exchange for New Shares and Firebird Class B Preferred Shares will be allocated to the Firebird Class B Preferred Shares to be issued on the exchange to the extent of an amount equal to the fair market value of the Newco Shares to be issued to Firebird pursuant to the Arrangement in consideration for the Assets, and the balance of such paid-up capital will be allocated to the New Shares to be issued on the exchange.

The Company expects that the fair market value of the Newco Shares to be so issued will be materially less than the paid-up capital of the Firebird Class A Shares immediately before the exchange, and for the purposes of this summary it has been assumed that the Company's expectation is correct. Accordingly, the Company is not expected to be deemed to have paid, and no Resident Holder is expected to be deemed to have received, a dividend as a result of the distribution of Newco Shares on the redemption of the Firebird Class B Preferred Shares pursuant to the Arrangement.

Each Resident Holder whose Firebird Class B Preferred Shares are redeemed for Newco Shares pursuant to the Arrangement will realize a capital gain (capital loss) equal to the amount, if any, by which the fair market value of the Newco Shares, less reasonable costs of disposition, exceed (are exceeded by) their ACB immediately before the redemption. Any capital gain or loss so arising will be subject to the usual rules applicable to the taxation of capital gains and losses described below (see the section of this Circular Entitled "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*").

The cost to a Resident Holder of Newco Shares acquired on the exchange will be equal to the fair market value of the Newco Shares at the time of their distribution.

Disposition of New Shares and Newco Shares

A Resident Holder who disposes of a New Share or Newco Share will realize a capital gain (capital loss) equal to the amount by which the proceeds of disposition of the share, less reasonable costs of disposition, exceed (are exceeded by) the ACB of the share to the Resident Holder determined immediately before the disposition. Any capital gain or loss so arising will be subject to the usual rules applicable to the taxation of capital gains and losses described below. See "*Holders Resident in Canada — Taxation of Capital Gains and Losses*".

Taxation of Capital Gains and Losses

A Resident Holder who realizes a capital gain (capital loss) in a taxation year must include one half of the capital gain ("**taxable capital gain**") in income for the year, and may deduct one half of the capital loss ("**allowable capital loss**") against taxable capital gains realized in the year, and to the extent not so deductible, against taxable capital gains arising in any of the three preceding taxation years or any subsequent taxation year.

The amount of any capital loss arising from a disposition or deemed disposition of a Firebird Class B Preferred Share, New Share, or Newco Share by a Resident Holder that is a corporation may, to the extent and under circumstances specified in the Tax Act, be reduced by the amount of certain dividends received or deemed to be received by the corporation on the share. Similar rules may apply if the corporation is a member of a partnership or beneficiary of a trust that owns shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns shares.

A Resident Holder that is a "Canadian-controlled private corporation" for the purposes of the Tax Act may be required to pay an additional 6½% refundable tax in respect of any net taxable capital gain that it realizes on disposition of a Firebird Class B Preferred Share, New Share or Newco Share.

Taxation of Dividends

A Resident Holder who is an individual will be required to include in income any dividend that the Resident Holder receives, or is deemed to receive, on New Shares or Newco Shares, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations.

A Resident Holder that is a corporation will be required to include in income any dividend that it receives or is deemed to be received on New Shares or Newco Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income. A "private corporation" (as defined in the Tax Act) or any other corporation controlled or deemed to be controlled by or for the benefit of an individual or a related group of individuals may be liable under Part IV of the Tax Act to pay a refundable tax of 33½% on any dividend that it receives or is deemed to be received on New Shares or Newco Shares to the extent that such dividends are deductible in computing the corporation's taxable income. Any such Part IV tax will be refundable to it at the rate of \$1 for every \$3 of taxable dividends that it pays on its shares.

Alternative Minimum Tax on Individuals

A capital gain realized, or deemed to be realized, by a Resident Holder who is an individual (including certain trusts and estates) may give rise to liability to alternative minimum tax under the Tax Act.

Dissenting Resident Holders

A Resident Holder who validly exercises Dissent Rights (a "**Resident Dissenter**") and consequently is paid the fair value for the Resident Dissenter's Firebird Shares in accordance with the Arrangement will be deemed to have received a dividend equal to the amount, if any, by which the payment exceeds the paid-up capital of the Resident Dissenter's Firebird Shares. Any such deemed dividend will be subject to tax as discussed above under "*Holders Resident in Canada — Taxation of Dividends*". The Resident Dissenter will also realize a capital gain (capital loss) equal to the amount, if any, by which the payment, less the deemed dividend (if any) and less reasonable costs of disposition, exceeds (is exceeded by) the ACB of the shares. The Resident Dissenter will be required to include any resulting taxable capital in income, and to deduct any resulting allowable capital loss, in accordance with the usual rules applicable to capital gains and losses. See "*Holders Resident in Canada – Taxation of Capital Gains and Losses*".

The Resident Dissenter must also include in income any interest awarded by a court to the Resident Dissenter.

Eligibility for Investment

Firebird Class B Preferred Shares and New Shares will be qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, and registered education savings plans ("**Registered Plans**") at any particular time provided that, at that time, either the shares are listed on a "designated stock exchange" or Firebird is a "public corporation" as defined for the purposes of the Tax Act.

Newco Shares will be qualified investments under the Tax Act for Registered Plans at any particular time provided that, at that time, either the Newco Shares are listed on a "designated stock exchange" or Newco is a "public corporation" as so defined.

Holders Not Resident in Canada

The following portion of this summary is applicable only to Holders (each in this portion of the summary a "**Non-resident Holder**") who:

- have not been, are not, and will not be resident or deemed to be resident in Canada for purposes of the Tax Act, and
- do not and will not, and are not and will not be deemed to, use or hold Firebird Shares, New Shares, Firebird Class B Preferred Shares, or Newco Shares in connection with carrying on a business in Canada, and
- whose Firebird Class A Shares (the redesignated Firebird Shares), Firebird Class B Preferred Shares, New Shares and Newco Shares will not at the Effective Date under the Arrangement, or at any material time thereafter, constitute "taxable Canadian property" for the purposes of the Tax Act.

Generally, a Firebird Class A Share, Firebird Class B Preferred Share, New Share, or Newco Share, as applicable, owned by a Non-resident Holder will not be taxable Canadian property of the Non-resident Holder at a particular time provided that, at that time, (i) the share is listed on a designated stock exchange (which includes the Exchange), (ii) neither the Non-resident Holder nor persons with whom the Non-resident Holder does not deal at arm's length alone or in any combination has owned 25% or more of the shares of any class or series in the capital of the issuing corporation within the previous five years, and (iii) the share was not acquired in a transaction as a result of which it was deemed to be taxable Canadian property of the Non-resident Holder.

Special rules, which are not discussed in this summary, may apply to a Non-resident Holder that is an insurer carrying on business in Canada.

Capital Gains and Capital Losses on Share Exchanges and Subsequent Dispositions of Shares

A Non-resident Holder who participates in the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on the exchange of Firebird Class A Shares (the redesignated Firebird Shares) for New Shares and Firebird Class B Preferred Shares, nor on the redemption of Firebird Class B Preferred Shares in consideration for Newco Shares.

Similarly, any capital gain realized by a Non-resident Holder on the subsequent disposition or deemed disposition of a New Share or Newco Share acquired pursuant to the Arrangement will not be subject to tax under the Tax Act, provided either that the shares do not constitute taxable Canadian property of the Non-resident Holder at the time of disposition, or an applicable income tax treaty exempts the capital gain from tax under the Tax Act.

Non-resident Holders will be exempt from the reporting and withholding obligations of §116 of the Tax Act in respect of the disposition of Firebird Class A Shares and Firebird Class B Preferred Shares pursuant to the Arrangement.

Deemed Dividends on the Redemption of Firebird Class B Preferred Shares

For the reasons set above under "Holders Resident in Canada — Redemption of Firebird Class B Preferred Shares", the Company expects that no Non-Resident Holder will be deemed to have received a dividend on the redemption of Firebird Class B Preferred Shares for Newco Shares.

Taxation of Dividends

A Non-resident Holder to whom a dividend on a New Share or Newco Share is or is deemed to be paid, or credited, will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend, unless reduced by an applicable income tax treaty, if any.

Dissenting Non-resident Holders

A Non-resident Holder who validly exercises Dissent Rights (a "**Non-resident Dissenter**") and consequently is paid the fair value for the Non-resident Dissenter's Firebird Shares in accordance with the Arrangement, will be deemed to have received a dividend equal to the amount, if any, by which the payment exceeds the paid-up capital of the Non-resident Dissenter's Firebird Shares. Any such deemed dividend will be subject to tax as discussed above under "Holders Not Resident in Canada — Taxation of Dividends". The Non-resident Dissenter will not be subject to tax under the Tax Act on any capital gain that may arise in respect of the resulting disposition of the Firebird Shares.

The Non-resident Holder will also be subject to Canadian withholding tax on that portion of any such payment that is on account of interest at the rate of 25%, unless reduced by an applicable income tax treaty, if any.

Certain U.S. Federal Income Tax Considerations

Scope of This Disclosure

Transactions Addressed

The following discussion is a summary of the anticipated material U.S. federal income tax considerations arising from and related to the Distribution (as defined below) that are generally applicable to U.S. Holders (as defined below) of Firebird Shares. The following discussion of the anticipated material U.S. federal income tax considerations arising from and related to the Distribution is for general information only, and does not purport to be a complete analysis or description of all U.S. federal income tax consequences that may apply to a U.S. Holder of Firebird Shares as a result of the Distribution. **U.S. Holders of Firebird Shares are urged to consult their own tax advisors regarding the particular tax consequences of the Distribution, including the application and effect of U.S. federal, state, local and other tax laws.**

Notice Pursuant to IRS Circular 230: Anything contained in this summary concerning any U.S. federal tax issue is not intended or written to be used, and it cannot be used by a U.S. Holder, for the purpose of avoiding U.S. federal tax penalties under the Code (as defined below). This summary was written to support the promotion or marketing of the transactions or matters addressed by this Circular (including the Arrangement). Each U.S. Holder should seek U.S. federal tax advice, based on such U.S. Holder's particular circumstances, from an independent tax advisor.

Authorities

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), the Treasury Regulations (proposed, temporary and final) issued under the Code, the Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital, signed September 26, 1980, as amended (the "**Canada-U.S. Tax Convention**") and judicial and administrative interpretations of the Code and Treasury Regulations, in each case as in effect and available as of the date of this Circular. However, the Code, Treasury Regulations and judicial and administrative interpretations thereof may change at any time, and any such change could be retroactive to the date of this Circular. The Code, Treasury Regulations and judicial and administrative interpretations thereof are also subject to various interpretations, and the U.S. Internal Revenue Service (the "**IRS**") or the U.S. courts could disagree with the explanations or conclusions contained in this summary. This summary does not consider the potential effects, whether adverse and beneficial, of any proposed legislation that, if enacted, could be applied, possibly on a retroactive basis, at any time.

U.S. Holder

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of Firebird Shares that, for U.S. federal income tax purposes, is (a) a citizen or individual resident of the U.S., (b) a corporation created or organized in or under the laws of the U.S. or of any political subdivision thereof, (c) an estate whose income is taxable in the U.S. irrespective of source or (d) a trust subject to the primary supervision of a court within the U.S. and control of a U.S. fiduciary as described Section 7701(a)(30) of the Code. If a partnership or other "pass-through" entity holds Firebird Shares, the U.S. federal income tax treatment of the partners or owners of such partnership or other "pass-through" entity generally will depend on the status of such partners or owners and the activities of such partnership or "pass-through" entity.

Non-U.S. Holders

A "**non-U.S. Holder**" is a beneficial owner of Firebird Shares other than a U.S. Holder. This summary does not address the U.S. federal income tax consequences arising from or related to the Arrangement (as hereinafter defined) with respect to non-U.S. Holders of Firebird Shares. **Non-U.S. Holders of Firebird Shares are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the Distribution.**

Transactions Not Addressed

This summary does not address the U.S. federal income tax consequences of transactions effectuated prior or subsequent to, or concurrently with, the Distribution (whether or not any such transactions are undertaken in connection with the Distribution), including, without limitation, the following transactions:

- any exercise of any stock option, warrant or other right to acquire Firebird Shares;
- any assumption by Newco of Firebird stock options or Firebird warrants;
- any conversion of any Firebird notes, debentures or other debt instruments into Firebird Shares;
- any transaction in which Firebird Shares are acquired (other than pursuant to the Distribution); or
- any transaction in which Newco Shares are disposed of.

Persons Not Addressed

This summary does not address the U.S. federal income tax consequences arising from and related to the Distribution with respect to the following persons (including persons that are U.S. holders):

- the Company or Newco;
- persons that may be subject to special U.S. federal income tax treatment, such as persons who are tax-exempt organizations, qualified retirement plans, individual retirement accounts and other tax-deferred accounts, financial institutions, insurance companies, real estate investment trusts, regulated investment companies or brokers or dealers in securities;
- persons that acquired Firebird Shares pursuant to the exercise of employee stock options or rights, or otherwise as compensation for services;
- persons having a functional currency for U.S. federal income tax purposes other than the U.S. dollar;
- persons that hold Firebird Shares as part of a position in a straddle or as part of a hedging or conversion transaction;
- persons subject to the alternative minimum tax provisions of the Code;
- persons that own, directly or indirectly (including through the application of ownership attribution rules under the Code), 10% or more of the Firebird Shares;
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- U.S. expatriates or other former long-term residents of the United States;
- persons that are partners or owners of partnerships or other "pass-through" entities; or
- persons who own their Firebird Shares other than as a capital asset, as defined in the Code.

Such persons are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of the Distribution, including the application of any special U.S. federal income tax rules in light of their particular circumstances.

State and Local Taxes, Foreign Jurisdictions Not Addressed

This summary does not address U.S. state or local tax consequences, or tax consequences in jurisdictions other than the U.S., arising from or related to the Distribution. **Each U.S. Holder is urged to consult their own tax advisor regarding the U.S. state and local tax consequences, and the tax consequences in jurisdictions other than the U.S., of the Distribution.**

Particular Circumstance of any Particular U.S. Holder Not Addressed

This summary does not take into account the particular facts and circumstances with respect to U.S. federal income tax issues of any particular U.S. Holder. **Each U.S. Holder is urged to consult their own tax advisor regarding the U.S. federal income tax consequences of the Distribution in light of their particular circumstances.**

Distribution of Newco Shares

This summary assumes that the series of transactions undertaken pursuant to the Arrangement involving (a) the renaming and redesignation of the Firebird Shares as Firebird Class A Shares, (b) the exchange of each issued and outstanding Firebird Class A Share for one New Share and one Firebird Class B Preferred Share, (c) the redemption by the Company of each issued and outstanding Firebird Class B Preferred Share for a *pro-rata* number of 20,950,053 Newco Shares and (d) the cancellation of each Firebird Class A Share and each Firebird Class B Preferred Share (collectively the "**Distribution**") will be treated by the IRS, under the step-transaction doctrine or otherwise, as if (i) the Company directly distributed the Newco Shares to the holders of the Firebird Shares and (ii) the intervening steps of the Distribution (including those steps of the Distribution described in the preceding sentence) did not occur. However, because the Distribution will be effected under the applicable provisions of Canadian law that are technically different from analogous provisions of U.S. corporate law, there can be no assurances that the IRS or a U.S. court would not take a contrary view of the Distribution. In particular, it is possible that the IRS could analyze the various steps of the Distribution described above separately and independently, and could determine the U.S. federal income tax consequences of the various steps of the Distribution on such a separate and independent basis.

Assuming that the Distribution is treated for U.S. federal income tax purposes in the manner described in the paragraph immediately above, subject to the passive foreign investment company ("**PFIC**") rules discussed below, the Distribution will result in the following U.S. federal income tax consequences to U.S. Holders:

- U.S. Holders will be required to include in gross income as a dividend for U.S. federal income tax purposes the fair market value of the Newco Shares received, determined as of the date of the Distribution, to the extent that the Company has current or accumulated "earnings and profits" as calculated for U.S. federal income tax purposes (without reduction for any Canadian income tax withheld). Dividend income recognized by a U.S. Holder as a result of the Distribution generally will be treated as "foreign source" income for purposes of applying the U.S. foreign tax credit rules. See "*Foreign Tax Credit*" below. A dividend resulting from the Distribution generally will be taxed at the preferential tax rates applicable to long-term capital gains if (a) the Company is a "qualified foreign corporation" (as defined below), (b) the U.S. Holder receiving such dividend is an individual, estate, or trust, and (c) such dividend is paid on Firebird Shares that have been held by such U.S. Holder for at least 61 days during the 121-day period beginning 60 days before the "ex-dividend date." The Company generally will be a "qualified foreign corporation" under Section 1(h)(11) of the Code (a "**QFC**") if (a) the Company is eligible for the benefits of the Canada-U.S. Tax Convention, or (b) the Firebird Shares are readily tradable on an established securities market in the U.S. However, even if the Company satisfies one or more of such requirements, the Company will not be treated as a QFC if the Company is a PFIC for the tax year during which the

Distribution occurs or for the preceding tax year. As discussed below, the Company anticipates that it will qualify as a PFIC for the tax year that includes the date of the Distribution. Accordingly, the Company anticipates that it will not be a QFC. Assuming that the Company is not a QFC, a dividend resulting from the Distribution to a U.S. Holder, including a U.S. Holder that is an individual, estate, or trust, generally will be taxed at ordinary income tax rates (and not at the preferential tax rates applicable to long-term capital gains). **The dividend rules are complex, and each U.S. Holder is urged to consult its own tax advisor regarding the application and effect of the dividend rules.**

- To the extent that the fair market value of the Newco Shares received, determined as of the date of the Distribution, exceeds current and accumulated "earnings and profits" of the Company, such excess will be treated (a) first as a return of capital, up to the U.S. Holder's adjusted tax basis in the Firebird Shares (which will reduce a U.S. Holder's tax basis in such Firebird Shares), and (b) thereafter, as gain from the sale or exchange of Firebird Shares. Preferential tax rates for long-term capital gains are applicable to a U.S. Holder that is an individual, estate or trust. There are currently no preferential tax rates for long-term capital gains for a U.S. Holder that is a corporation (other than an S Corporation). Deductions for capital losses are subject to significant limitations. Capital gain recognized by a U.S. Holder as a result of the Distribution generally will be treated as "U.S. source" gain for purposes of applying the U.S. foreign tax credit rules. See "*Foreign Tax Credit*" below.
- A U.S. Holder's initial tax basis in the Newco Shares received in the Distribution will be equal to the fair market value of such Newco Shares, determined on the date of the Distribution.
- A U.S. Holder's holding period for the Newco Shares received by a U.S. Holder will begin on the day after receipt.

PFIC Rules

Definition of a PFIC

Section 1297 of the Code defines a PFIC as a corporation that is not formed in the U.S. and, for any taxable year, either (a) 75% or more of its gross income is "passive income" or (b) the average percentage, by fair market value (or, if the corporation is not publicly traded and either is a controlled foreign corporation or makes an election, by adjusted tax basis), of its assets that produce or are held for the production of "passive income" is 50% or more. "Passive income" includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities and certain gains from commodities transactions.

For purposes of the PFIC income test and asset test described above, if the corporation owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another foreign corporation, such corporation will be treated as if it (a) held a proportionate share of the assets of such other foreign corporation and (b) received directly a proportionate share of the income of such other foreign corporation. In addition, for purposes of the PFIC income test and asset test described above, "passive income" does not include any interest, dividends, rents, or royalties that are received or accrued by the corporation from a "related person" (as defined in Section 954(d)(3) of the Code), to the extent such items are properly allocable to the income of such related person that is not passive income.

PFIC Status of the Company

Based on the Company's current and projected income, assets and activities, the Company anticipates that it will qualify as a PFIC for the tax year that includes the date of the Distribution. In addition, the Company believes that it qualified as a PFIC for its most recent tax year ended on or prior to the date of the Distribution and in previous tax years. The determination of whether the Company will be a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether the Company will be a PFIC for the taxable year that includes the date of the Distribution depends on the assets and income of the Company over the course of such taxable year and, as a result, cannot be predicted with certainty as of the date of this Circular. However, there can be no assurances that the Company's determination regarding its past, current or anticipated PFIC status will not be challenged by the IRS.

Impact of PFIC Rules on U.S. Holders in the Distribution

QEF Election

The impact of the PFIC rules on a U.S. Holder in the Distribution will depend on whether the U.S. Holder has made a timely and effective election to treat the Company as a qualified electing fund under Section 1295 of the Code (a "**QEF Election**") for the tax year that is the first year in the U.S. Holder's holding period of the Firebird Shares during which the Company qualified as a PFIC. A U.S. Holder of the Company who made such a QEF Election will be referred to in this summary as an "**Electing Shareholder**" and a U.S. Holder of the Company who did not make such a QEF Election will be referred to in this summary as a "**Non-Electing Shareholder**". The impact of the PFIC rules on a U.S. Holder in the Distribution may also depend on whether the U.S. Holder has made a mark to market election under Section 1296 of the Code. See "*Mark-to-Market Election*" below.

If a U.S. Holder has not made a timely and effective QEF Election with respect to the first year in the U.S. Holder's holding period in which the Company qualified as a PFIC, such U.S. Holder may qualify as an Electing Shareholder by filing on a timely filed U.S. income tax return (including extensions) a QEF Election and a "deemed sale election" to recognize, under the rules of Section 1291 of the Code, any gain that the U.S. Holder would otherwise recognize if the U.S. Holder sold his or her stock on the "qualification date". The qualification date is the first day of the Company's tax year in which the Company qualified as a "qualified electing fund" with respect to such U.S. Holder. The deemed sale election can only be made if such U.S. Holder held Firebird Shares on the qualification date. By timely making such QEF and deemed sale elections, the U.S. Holder will be deemed to have made a timely QEF Election. In addition to the above rules, under very limited circumstances, a U.S. Holder may make a retroactive QEF Election if such U.S. Holder failed to file the QEF Election documents in a timely manner.

If a U.S. Holder has made a QEF Election with respect to the Company, then the Company would have to annually provide such U.S. Holder with certain information concerning the Company's income and gain, calculated in accordance with the Code, and also would have to comply with certain record-keeping requirements imposed on a QEF in order for such U.S. Holder to satisfy the QEF reporting rules. The Company has not provided its U.S. Holders with such QEF information in prior tax years and does not intend to provide such QEF information in the current tax year.

U.S. Holders are urged to contact their own tax advisors regarding the advisability of and procedure for making the QEF election, and the U.S. federal income tax consequences of making the QEF election.

Mark-to-Market Election

U.S. Holders who hold, actually or constructively, "marketable stock" (as specifically defined in the Treasury Regulations) of a foreign corporation that qualifies as a PFIC may annually elect to mark such stock to the market (a "**Mark-to-Market Election**"). If a Mark-to-Market Election is made, a U.S. Holder generally will not be subject to the special taxation rules of Section 1291 of the Code discussed below. However, if the Mark-to-Market Election is made by a Non-Electing Shareholder after the beginning of the holding period for the Firebird Shares during a time in which the Company qualified as a PFIC, then the Section 1291 rules discussed below will apply to certain dispositions of distributions on and other amounts taxable with respect to such Firebird Shares.

U.S. Holders are urged to contact their own tax advisors regarding the advisability of and procedure for making the Mark-to-Market Election, and the U.S. federal income tax consequences of making the Mark-to-Market Election.

Taxation of Distribution under PFIC Rules

With respect to a Non-Electing Shareholder, special rules under Section 1291 of the Code will apply to gains recognized by a Non-Electing Shareholder on disposition of the Firebird Shares and to "excess distributions" (generally, distributions received in the current tax year that are in excess of 125% of the average distributions received during the three preceding years or, if shorter, the U.S. Holder's holding period for the Firebird Shares) received by such Non-Electing Shareholder from the Company. A Non-Electing U.S. Holder generally would be required to pro-rate all such gains and "excess distributions" over the entire holding period for such Firebird Shares. The portion of the gain or excess distribution allocated to prior years in such Non-Electing Shareholder's holding period for such Firebird Shares (other than years prior to the first taxable year of the Company during such Non-Electing Shareholder's holding period and beginning after January 1, 1987 for which the Company qualified as a PFIC) will be taxed at the highest tax rate applicable to ordinary income for each such prior year. The Non-Electing

Shareholder also will be liable for interest on the resulting tax liability for each such prior year, calculated as if such tax liability had been due with respect to each such prior year. A Non-Electing Shareholder that is not a corporation must treat this interest charge as "personal interest" which is wholly non-deductible. The portion of the gain or excess distribution allocated to the current tax year will be treated as ordinary income in the year of the disposition or "excess distribution," and no interest charge will be owed with respect to the resulting tax liability.

If and to the extent that the Distribution of the Newco Shares constitutes an "excess distribution" under the PFIC rules with respect to a Non-Electing Shareholder, such Non-Electing Shareholder will be subject to the foregoing tax rules with respect to the receipt of the Newco Shares in the Distribution. In addition, the Distribution of the Newco Shares pursuant to the Arrangement may be treated, under proposed Treasury Regulations, as the "indirect disposition" by a Non-Electing Shareholder of such Non-Electing Shareholder's indirect interest in Newco, which generally would be subject to the rules of Section 1291 of the Code discussed above.

Electing Shareholders generally will not be subject to the special taxation rules of Section 1291 applicable to "excess distributions" with respect to the Distribution. See "*QEF Election*" above. Also, as discussed above, a U.S. Holder who makes a Mark-to-Market Election with respect to Firebird Shares held, generally will not be subject to the special taxation rules of Section 1291 applicable to "excess distributions" with respect to the Distribution. However, if the Mark-to-Market Election is made by a Non-Electing Shareholder after the beginning of the holding period for the Firebird Shares during a time in which the Company qualified as a PFIC, then the Section 1291 rules may continue to apply to the Distribution. See "*Mark-to-Market Election*" above.

Lack of Guidance

The PFIC rules are complex and subject to interpretation. The implementation of certain aspects of the PFIC rules requires the issuance of Treasury Regulations that, in many instances, have not been promulgated and that may have retroactive effect when promulgated. There can be no assurance that any of these proposals will be enacted or promulgated, and if so, the form they will take or the effect that they may have on this summary. **Accordingly, and due to the complexity of the PFIC rules, U.S. Holders are urged to consult their own tax advisors concerning the impact of the PFIC rules on the Distribution, including, without limitation, whether a QEF Election or Mark-to-Market Election may be used to reduce the significant adverse U.S. federal income tax consequences of the PFIC rules.**

Dissenting U.S. Holders

Subject to the PFIC rules discussed above, a U.S. Holder who exercises the right to dissent from the Distribution and receives cash in payment for all of such U.S. Holder's Firebird Shares will recognize gain or loss in an amount equal to the difference, if any, between (a) the amount of cash received (other than amounts, if any, which are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) and (b) such U.S. Holder's adjusted tax basis in its Firebird Shares. Subject to the PFIC rules discussed above, such gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder's holding period for such Firebird Shares is in excess of one year at the time of the Distribution.

Preferential tax rates for long-term capital gains are applicable to a U.S. Holder that is an individual, estate or trust. There are currently no preferential tax rates for long-term capital gains for a U.S. Holder that is a corporation (other than an S Corporation). Deductions for capital losses are subject to significant limitations. Capital gains recognized by a U.S. Holder as a result of exercising the right to dissent from the Distribution generally will be treated as "U.S. source" gains for purposes of applying the U.S. foreign tax credit rules. See "*Foreign Tax Credit*" below.

Currency Gains

The fair market value of any Canadian currency received by a U.S. Holder in the Distribution generally will be based on the rate of exchange on the date of the Distribution. A subsequent disposition of any Canadian currency received (including its conversion into U.S. currency) generally will give rise to gain or loss, treated as ordinary income or loss. **U.S. Holders are urged to consult their own tax advisors concerning the U.S. federal income tax consequences of acquiring, holding and disposing of Canadian dollars.**

Foreign Tax Credit

A U.S. Holder who pays (or has withheld) Canadian income tax with respect to the Distribution may be entitled, at the option of the U.S. Holder, to either receive a deduction or a tax credit for U.S. federal income tax purposes with

respect to such foreign tax paid or withheld. Generally, it will be more advantageous to claim a credit because a credit reduces U.S. federal income taxes on a dollar-for-dollar basis, while a deduction merely reduces the taxpayer's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid by (or withheld from distributions to) the U.S. Holder during that year. There are significant and complex limitations that apply to the foreign tax credit, among which is the general limitation that the credit cannot exceed the proportionate share of the U.S. Holder's U.S. income tax liability that the U.S. Holder's "foreign source" income bears to his or its worldwide taxable income. In applying this limitation, the various items of income and deduction must be classified as either "foreign source" or "U.S. source". Complex rules govern this classification process. In addition, this limitation is calculated separately with respect to specific classes of income. **U.S. Holders who pay (or have withheld) Canadian income tax with respect to the Distribution are urged to consult their own tax advisors regarding the foreign tax credit rules and the potential benefits of the Canada-U.S. Tax Convention.**

No Ruling or Legal Opinion

No opinion of legal counsel and no ruling from the IRS concerning the U.S. federal income tax consequences of the Distribution has been obtained or will be requested. This summary is not binding on the IRS and the IRS is not precluded from taking a different position or positions. U.S. Holders should be aware that some of the U.S. federal income tax consequences of the Distribution are governed by provisions of the Code as to which there are no final Treasury Regulations and little or no judicial or administrative guidance.

Backup Withholding Tax and Information Reporting Requirements

Payments to certain U.S. Holders of dividends made on, or the proceeds of the sale or other disposition of, the Firebird Shares may be subject to information reporting and U.S. federal backup withholding tax at the rate of 28% (subject to periodic adjustment) if the U.S. Holder fails to supply an accurate taxpayer identification number or otherwise fails to comply with applicable U.S. information reporting or certification requirements (typically provided on IRS Form W-9). Any amount withheld from a payment to a U.S. Holder under the backup withholding rules is allowable as a credit against the U.S. Holder's U.S. federal income tax, provided that the required information is furnished to the IRS. **U.S. Holders are urged to consult their own tax advisors concerning the backup withholding tax rules and compliance with applicable certification requirements.**

RIGHTS OF DISSENT

Section 238 of the BCBCA provides registered shareholders of a company with the right to dissent from certain resolutions, including a resolution to approve an arrangement, if the terms of the arrangement permit dissent. The Plan of Arrangement expressly provides Registered Shareholders with the right to dissent from the Arrangement Resolution. Any Registered Shareholder who dissents from the Arrangement Resolution in compliance with the relevant provisions of the BCBCA, as they may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any other order(s) of the Court, will be entitled, in the event that the Arrangement becomes effective, and subject to the BCBCA, to be paid the fair value of the Firebird Shares held by such Dissenting Shareholder, as more particularly described below and in the relevant provisions of the BCBCA, attached as Schedule "E" to this Circular as modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court.

Under the BCBCA, only a Registered Shareholder may exercise the Dissent Rights in respect of shares registered in that shareholder's name. In many cases, shares beneficially owned by a Non-Registered Shareholder are registered either (i) in the name of an Intermediary, or (ii) in the name of a clearing agency (such as CDS) of which the intermediary is a participant. Accordingly, a Non-Registered Shareholder will not be entitled to exercise its Dissent Rights directly (unless the Firebird Shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Firebird Shares and either (i) instruct the Intermediary to exercise the Dissent Right on the Non-Registered Shareholder's behalf (which, if the Firebird Shares are registered in the name of CDS or other clearing agency, would require that the Firebird Shares first be re-registered in the name of the intermediary), or (ii) instruct the Intermediary to request that the Firebird Shares be registered in the name of the Non-Registered Shareholder, in which case such holder would have to exercise the Dissent Right directly (that is, the Intermediary would not be exercising the Dissent Right on such holder's behalf).

A Registered Shareholder who wishes to dissent must provide a Dissent Notice to Firebird at its office at least two days before the date of the Meeting, and must not vote any Firebird Shares it holds in favour of the Arrangement Resolution. It is important that Dissenting Shareholders strictly comply with this requirement.

If the Arrangement Resolution is passed at the Meeting, the Company must send to every Dissenting Shareholder a notice ("**Notice of Intention**") informing such Dissenting Shareholder that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, the Company intends to complete the Arrangement, and advising the Dissenting Shareholder that if the Dissenting Shareholder intends to proceed with the exercise of its Dissent Rights, it must deliver to the Company, within one month after the date of the Notice of Intention, a written statement (a "**Demand for Payment**") that the Dissenting Shareholder requires the Company to purchase all of the Firebird Shares in respect of which it has dissented (the "**Dissenting Shares**") in compliance with the relevant provisions of the BCBCA attached as Schedule "E" hereto, as they may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court, together with the share certificates representing the Dissenting Shares.

Unless the Court orders otherwise, a Dissenting Shareholder who fails to make a Demand for Payment in accordance with the relevant provisions of the BCBCA, as they may be modified by the Plan of Arrangement, Interim Order, the Final Order and any further order(s) of the Court, will cease to have the right to dissent with respect to the Dissenting Shares under the BCBCA.

A Dissenting Shareholder delivering such a Demand for Payment may not withdraw its dissent and upon delivery of the Demand for Payment and the certificates representing the Dissenting Shares will be deemed to have sold the Dissenting Shares to Firebird subject to the BCBCA and the Interim Order. Firebird will pay to each such Dissenting Shareholder the fair value of such Dissenting Shares, which fair value shall be the fair value of such shares on the close of business on the Business Day before the date of the Meeting.

Pursuant to the Plan of Arrangement, Firebird Shareholders who are ultimately determined not to be entitled, for any reason, to be paid fair value for their Dissenting Shares, shall be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholder as at and from the Effective Time.

The foregoing is only a summary of the dissenting shareholder provisions of the BCBCA (as they may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court), which are technical and complex. A complete copy of the relevant provisions of the BCBCA is attached as Schedule "E" to this Circular. It is recommended that any Registered Shareholder wishing to avail itself of its Dissent Rights under those provisions seek legal advice, as failure to comply strictly with the provisions of the BCBCA (as they may be modified by the Plan of Arrangement, the Interim Order, the Final Order and any further order(s) of the Court) may prejudice its Dissent Rights or may result in the loss of Dissent Rights.

RISK FACTORS

In evaluating the Arrangement, Firebird Shareholders should carefully consider, in addition to the other information contained in this Circular, the following risk factors associated with Newco. Any one or more of these risks could have a material adverse effect on the business, financial position or operating results of Newco and should be taken into account in assessing Newco's activities. The risks noted below do not necessarily comprise all those faced by Newco.

Exploration, Development and Operating Risks

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among others, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of any minerals acquired or discovered by Newco may be affected by numerous factors which are beyond Newco's control and which cannot be accurately predicted, such as market fluctuations, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in Newco not receiving an adequate return of investment capital.

There is no assurance that Newco's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of Newco's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

There is no certainty that the expenditures made by Newco towards the search for and evaluation of mineral deposits will result in discoveries of commercial quantities of ore.

Public acceptance of nuclear energy is uncertain.

Maintaining the demand for uranium at current levels and any future growth in demand will depend upon acceptance of nuclear technology as a means of generating electricity. Lack of public acceptance of nuclear technology would adversely affect the demand for nuclear power and potentially increase the regulation of the nuclear power industry.

On March 11, 2011, a serious earthquake struck the northeast coast of Japan, producing a tsunami and causing massive damage and destruction along the Pacific coastline of Japan. This included damage to the Fukushima Daiichi I and II Nuclear Power Plants, located in the town of Okuma, about 210 kilometres north of Tokyo. The plants suffered a series of power and equipment failures affecting cooling water systems and released radioactive material into the environment. Although not confirmed, these plants may have experienced a partial core meltdown. The incidents at the Fukushima Daiichi I and II Nuclear Power Plants have called into question public confidence in nuclear energy in Japan and elsewhere around the world. This has had an immediate negative impact on the market share price of companies engaged in the exploration and development of uranium and other materials related to the nuclear industry and nuclear related commodity prices generally. The Company cannot predict whether this trend will continue.

Titles to Property

The acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral concessions may be disputed. Although reasonable measures have been taken to ensure proper title to the Assets, there is no guarantee that title to such properties or any further properties acquired by Newco will not be challenged or impaired. Third parties may have valid claims underlying portions of Newco's interests, including prior unregistered liens, agreements, transfers or claims, and title may be affected by, among other things, undetected defects. In addition, Newco may be unable to operate on such properties as permitted or to enforce its rights with respect to such properties.

Acquisition of Additional Mineral Properties

If Newco loses or abandons its interest in the RCU Property and/or the HPU Property, there is no assurance that it will be able to acquire for any reason another mineral property of merit or that such an acquisition would be approved by the Exchange. There is also no guarantee that the Exchange will approve the acquisition of any additional properties by Newco, whether by way of option or otherwise, should Newco wish to acquire any additional properties.

Permits, Licences and Government Regulations

Newco's future operations may require permits from various governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that Newco will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on any of Newco's properties. Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment.

Although Newco intends to carry out exploration activities in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner that could limit or curtail the production or development of Newco's properties. Amendments to current laws and regulations governing Newco's operations and activities or a more stringent

implementation thereof could have a material adverse effect on Newco's business, financial condition and results of operations.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, the installation of additional equipment, or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may be subject to civil or criminal fines or penalties for violations of applicable laws or regulations.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or a more stringent implementation thereof, could have a material adverse impact on Newco and cause increases in exploration expenses, capital expenditures or production costs, reduction in levels of production at producing properties, or abandonment or delays in development of new mining properties.

Potential Profitability Depends Upon Factors Beyond the Control of Newco

The potential profitability of the RCU Property, the HPU Property or any other property that may be acquired by Newco is dependent upon many factors beyond Newco's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and controls and respond to changes in domestic, international, political, social and economic environments. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways Newco cannot predict and are beyond Newco's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, events which cause worldwide economic uncertainty may make raising of funds for exploration and development difficult, if not impossible. These changes and events may materially affect the financial performance of Newco.

Limited Operating History

Newco has no history of earnings. There are no known commercial quantities of mineral reserves on the RCU Property or the HPU Property. Development of Newco's mineral properties will only follow upon obtaining satisfactory results. Exploration for and the development of natural resources involve a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that Newco's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Newco's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Further, Newco is subject to many risks common to start-up enterprises, including under-capitalization, cash shortages, limitations with respect to personnel, financial and other resources and lack of revenues. There is no assurance the Newco will be successful in achieving a return on shareholder's investment and the likelihood of success must be considered in light of its early stage operations.

Mineral Prices

Newco's revenues, if any, are expected to be in large part derived from the extraction and sale of mineral resources such as uranium. Mineral prices have historically fluctuated widely and are affected by numerous factors beyond Newco's control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased worldwide production levels due to new extraction developments and improve extraction and production methods. These factors may affect the price of minerals, and, therefore, the economic viability of any of Newco's future exploration projects cannot accurately be predicted.

Competition

The mining industry is intensely competitive in all of its phases and Newco will compete with many companies possessing much greater financial and technical resources than itself. Competition in the mineral mining industry is primarily for: mineral rich properties that can be developed and produced economically; technical expertise to find, develop, and operate such properties; labour to operate the properties; and capital for the purpose of funding such properties. Many competitors not only explore for and mine minerals, but conduct refining and marketing operations on a global basis. Such competition may result in Newco being unable to acquire desired properties, to recruit or

retain qualified employees or to acquire the capital necessary to fund Newco's operations and develop mining properties. Existing or future competition in the mining industry could materially adversely affect Newco's prospects for mineral exploration and success in the future.

Environmental Regulations

Environmental laws and regulations may affect Newco's operations. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on Newco for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major developments, Newco will generally rely on recognized designers and development contractors from which Newco will, in the first instance, seek indemnities. Newco intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making Newco's operations more expensive.

Uninsured Hazards

In the course of exploration and development of mineral properties, several risks such as rock bursts, cave-ins, fires, floods, earthquakes and unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and Newco may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the securities of Newco.

Newco is not insured against environmental risks. Insurance against environmental risks (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Newco periodically evaluates the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance. Without such insurance, and if Newco becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds Newco has to pay such liabilities and result in bankruptcy. Should Newco be unable to fund fully the remedial cost of an environmental problem, it might be required to enter into interim compliance measures pending completion of the required remedy.

Future Financing

Newco has no history of earnings, and, due to the nature of Newco's business, there can be no assurance that Newco will be profitable. Newco has paid no dividends on Newco Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to Newco is through the sale of Newco's equity shares and/or through loans. Even if the results of exploration are encouraging, Newco may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially minable deposit exists on the Assets, or any other properties that may be acquired by Newco. While Newco may generate additional working capital through further equity offerings, there is no assurance that any such funds will be available on terms acceptable to Newco, or at all. If available, future equity financing may result in substantial dilution to Newco's current shareholders. At present, it is impossible to determine what amounts of additional funds, if any, may be required.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants that affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect Newco's operations, financial condition and results of operations.

Capital Cost Estimates

Capital and operating cost estimates made in respect of Newco's current and future development projects and mines may not prove to be accurate. Capital and operating costs are estimated based on the interpretation of geological data, feasibility studies, anticipated climatic conditions and other factors. Any of the following events, among the other events and uncertainties described in this Circular, could affect the ultimate accuracy of such estimates: unanticipated changes in grade and tonnage of ore to be mined and processed; incorrect data on which engineering assumptions are made; delay in construction schedules, unanticipated transportation costs; the accuracy of major equipment and construction cost estimates; labour negotiations; changes in government regulation (including regulations regarding prices, cost of consumables, royalties, duties, taxes, permitting and restrictions on production quotas on exportation of minerals); and title claims.

Dependence on Key Management Personnel, Employees and Consultants

Newco's success is and/or will be dependent on a relatively small number of key management personnel, employees and consultants. The loss of the services of one or more of such key management personnel could have a material adverse effect on Newco. Newco's ability to manage Newco's exploration and future development activities, and hence Newco's success, will depend in large part on the efforts of these individuals. Newco faces intense competition for qualified personnel, and there can be no assurance that Newco will be able to attract and retain such personnel.

Litigation

Newco is subject to litigation risks. All industries, including the mining industry, are subject to legal claims, with and without merit. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which Newco may become subject could have a material effect on Newco's financial position, results of operations or Newco's mining and project development operations.

Conflicts of Interest

Newco is dependent on certain directors who are, and may in the future be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnership or joint ventures which are or may be Newco's potential competitors. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with Newco's interests.

In accordance with the applicable laws, including the BCBCA, Newco's directors are required to act honestly, in good faith and in the best interest of Newco. Any decision made by any of such directors and officers involving Newco is made in accordance with their fiduciary duties and obligations to deal fairly and in good faith with a view to the best interests of Newco and its shareholders. In addition, each director is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set out in the BCBCA and other applicable laws. Other than as indicated, Newco has no other procedures or mechanisms to deal with conflicts of interest.

Foreign Countries and Regulatory Requirements

Newco may acquire properties located in other countries where mineral exploration activities may be affected by varying degrees of political instability and haphazard changes in government regulations such as tax laws, business laws and mining laws. Any changes in regulations or shifts in political conditions would be beyond the control of Newco and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Currency Fluctuations

Newco maintains its accounts in Canadian currency. If Newco acquires properties in other countries, its operations may be subject to foreign currency fluctuations and such fluctuations may materially adversely affect Newco's financial position and results. Newco does not engage in currency hedging activities.

APPROVAL OF THE FIREBIRD OPTION PLAN

The shareholders of the Company will be asked to vote for an ordinary resolution (in substantially the form of resolution 1 set out in Schedule "A" hereto) affirming, ratifying and approving the Firebird Option Plan substantially in the form presented to the directors of the Company. The Firebird Option Plan is attached hereto as Schedule "J" pursuant to the requirements of Exchange Policy 4.4 – *Incentive Stock Options*. As the Firebird Option Plan is a "rolling plan", the Exchange requires that it receive yearly approval at the Company's annual meeting of shareholders.

The resolution also authorizes any amendment to the form of the Firebird Option Plan in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the Firebird Shareholders and authorizes each director and officer of the Company to execute and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to the resolution approving the Firebird Option Plan, the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination. Further, in the event that circumstances change prior to affecting the resolution such that the Board no longer believes that such resolution is in the best interests of the Company, the resolution authorizes the directors of the Company to revoke the resolution without further approval from Firebird Shareholders.

In order to be effective, the proposed resolution must be passed by a simple majority of the votes cast by the shareholders of the Company who vote in respect of such resolution. **Unless instructed in the proxy to the contrary, the persons named in the accompanying proxy intend to vote for the affirmation, ratification and approval of the Firebird Option Plan.**

APPROVAL OF THE NEWCO OPTION PLAN

Newco Option Plan

In May 2011, the directors of Newco established the Newco Option Plan as a rolling stock option plan. The Newco Option Plan is subject to Exchange approval. The maximum number of Newco Shares reserved for issuance under the Newco Option Plan is 10% of the issued and outstanding Newco Shares on a "rolling" basis. It is anticipated that Newco will have 25,208,740 issued Newco Shares on the Effective Date such that the Newco Option Plan will initially have 2,520,874 Newco Shares allotted to it. See the section of this Circular entitled "*Newco After the Arrangement – Options and Warrants*".

Under the Newco Option Plan, options may be granted equal in number up to 10% of the issued Newco Shares at the time of the grant of the stock option. The Newco Option Plan will be required to be approved by the Shareholders of Newco on a yearly basis at each annual meeting of shareholders of Newco.

Purpose of the Newco Option Plan

The purpose of the Newco Option Plan is to provide an incentive to Newco's directors, senior officers, employees and consultants to continue their involvement with Newco, to increase their efforts on Newco's behalf and to attract new qualified employees. The Newco Option Plan is also intended to assist in aligning management and employee incentives with the interests of shareholders.

General Description and Exchange Policies

The Newco Option Plan will be administered by the board of directors of Newco (in this section, the "**Newco Board**") or, if determined by the Newco Board, by a committee of the Newco Board (in this section, the "**Committee**"). A full copy of the Newco Option Plan is available to Firebird Shareholders upon request and will be available at the Meeting.

The following is a brief description of the principal terms of the Newco Option Plan, which description is qualified in its entirety by the terms of the Newco Option Plan:

1. The maximum number of Newco Shares that may be reserved for issuance of Newco Options granted under the Newco Option Plan may not exceed 10% of the issued Newco Shares as at the date of the grant of any Newco Option.

2. The exercise price of the Newco Options, as determined by the Newco Board or the Committee, will not be less than the closing price of the Newco Shares on the Exchange on the trading day prior to the date of grant of Newco Options subject to the maximum discount permitted by the Exchange.
3. Newco Options under the Newco Option Plan may be granted by the Newco Board or the Committee to:
 - (a) officers, directors or employees of Newco or any of its subsidiaries;
 - (b) consultants (other than an employee or director of Newco) providing consulting, technical, management or other services to Newco, or a consultant company excluding (unless an exemption from prospectus requirements is available under applicable securities laws) a consultant providing investor relations services; and
 - (c) an employee of a company providing management services to Newco, which management services are required for the ongoing successful operation of the business enterprise of Newco but excluding a person engaged in investor relations activities.
4. The aggregate number of Newco Shares that may be reserved for issuance under the Newco Option Plan is restricted as follows:
 - (a) the aggregate number of Newco Shares that may be reserved for issuance for a Newco Option to any one individual in a 12 month period must not exceed 5% of the issued Newco Shares at the time of grant of a Newco Option;
 - (b) the aggregate number of Newco Shares subject to a Newco Option granted to a consultant in a 12 month period must not exceed 2% of the issued Newco Shares at the time of grant of the Newco Option; and
 - (c) the aggregate number of Newco Shares subject to Newco Options granted to employees involved in investor relations activities must not exceed 2% of the issued Newco Shares in any 12 month period at the time of grant of the Newco Options.
5. The term for exercise of Newco Options is a maximum of five years from the date of grant.
6. All Newco Options will be non-assignable and non-transferable.
7. The decrease in the exercise price of Newco Options previously granted to insiders requires approval by a "disinterested shareholder vote" prior to exercise of such re-priced Newco Options.

The Firebird Shareholders will be asked at the Meeting to approve by ordinary resolution the Newco Option Plan Resolution in substantially the form of resolution 3 set out in Schedule "A" attached to this Circular.

The Board unanimously recommends that Firebird Shareholders vote FOR the Newco Option Plan Resolution.

FIREBIRD AFTER THE ARRANGEMENT

The following is a description of the Company assuming completion of the Arrangement.

Name, Address, Incorporation and Exchange Listing

The Company was continued pursuant to the BCBCA on November 4, 2009. The Company's registered and records office is located at Suite 1000, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2. The Company's head office is located at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B 4N5. The Company's website address is www.firebirdres.com.

Upon completion of the Arrangement, the Company will continue to carry on its business under the name "Firebird Resources Inc." and the New Shares will be listed on the Exchange. Thereafter, share certificates for Firebird Shares will represent New Shares.

Description of the Firebird Shares

Firebird Shareholders are entitled to receive notice of and to attend and vote at all meeting of shareholders, except meetings at which only the holders of a specified class of shares are entitled to vote. The holders of Firebird Shares are entitled to receive any dividend declared by the Company on the Firebird Shares; provided that the Company is entitled to declare dividends on preferred shares or any of such classes of shares without being obliged to declare any dividends on Firebird Shares of the Company. Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Company, the Firebird Shares carry the right to receive the remaining property of the Company upon liquidation, dissolution or winding up of the Company in equal rank with the holders of all other common shares of the Company.

Directors and Officers

Completion of the Arrangement will not cause any changes in the directors of the Company who are elected at the Meeting or of the current officers of the Company. See the section of this Circular entitled "*Executive Compensation*".

Business of the Company Following the Arrangement

Following completion of the Arrangement, the Company will continue to own the Mineral Properties. The Company's material property will be the Buzzard-Jefferson Property and will be the focus of its exploration and development activities after completion of the Arrangement.

Buzzard-Jefferson Property

The following is a brief summary of certain portions of the Buzzard-Jefferson Technical Report and is qualified by and should be read together with the Buzzard-Jefferson Technical Report in its entirety available on SEDAR at www.sedar.com. The Buzzard-Jefferson Technical Report contains information, tables and data that are not included in the summary below.

The Buzzard-Jefferson Property is located in the Haile-Brewer Gold Trend, Carolina Slate Belt Province, Chesterfield and Lancaster Counties, South Carolina. The project area is about ninety-six (96) kilometers northeast of Columbia, South Carolina and about eighty (80) kilometers southeast of Charlotte, North Carolina.

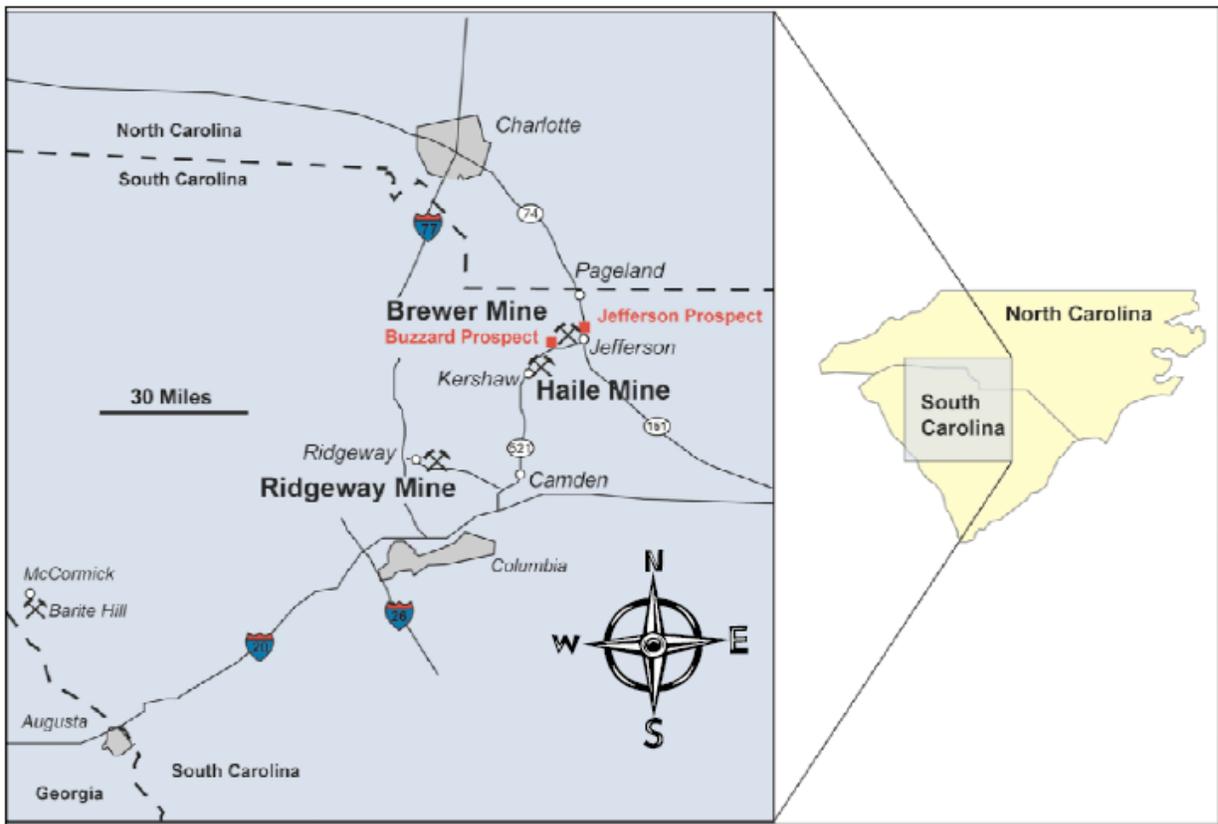


Figure 1. Location Map of the Buzzard-Jefferson Property Project Area

The Buzzard-Jefferson Property is along a nearly continuous northeast-striking structural trend of hydrothermal alteration and gold mineralization which includes the Haile Gold Mine to the southwest of the Buzzard Property and the Brewer Mine between the Buzzard-Jefferson Property. Portions of the Jefferson Property are on the western side of the town of Jefferson, South Carolina. The combined project of the Buzzard-Jefferson Property is an advanced stage precious-metals exploration project with more than 66,104 feet of diamond core, reverse circulation and air rotary drilling.

Firebird entered into the Option Agreement with the Optioner thereof, to acquire up to a 100% interest in certain mineral leases held by the Optioner. The fee-simple leases are with local landowners who control the surface and mineral rights. Land tracts are surveyed and marked by standard methods of metes and bounds. The Buzzard-Jefferson Property has a combined area of about 1,430 acres in fourteen leases with option to purchase agreements prior to mining.

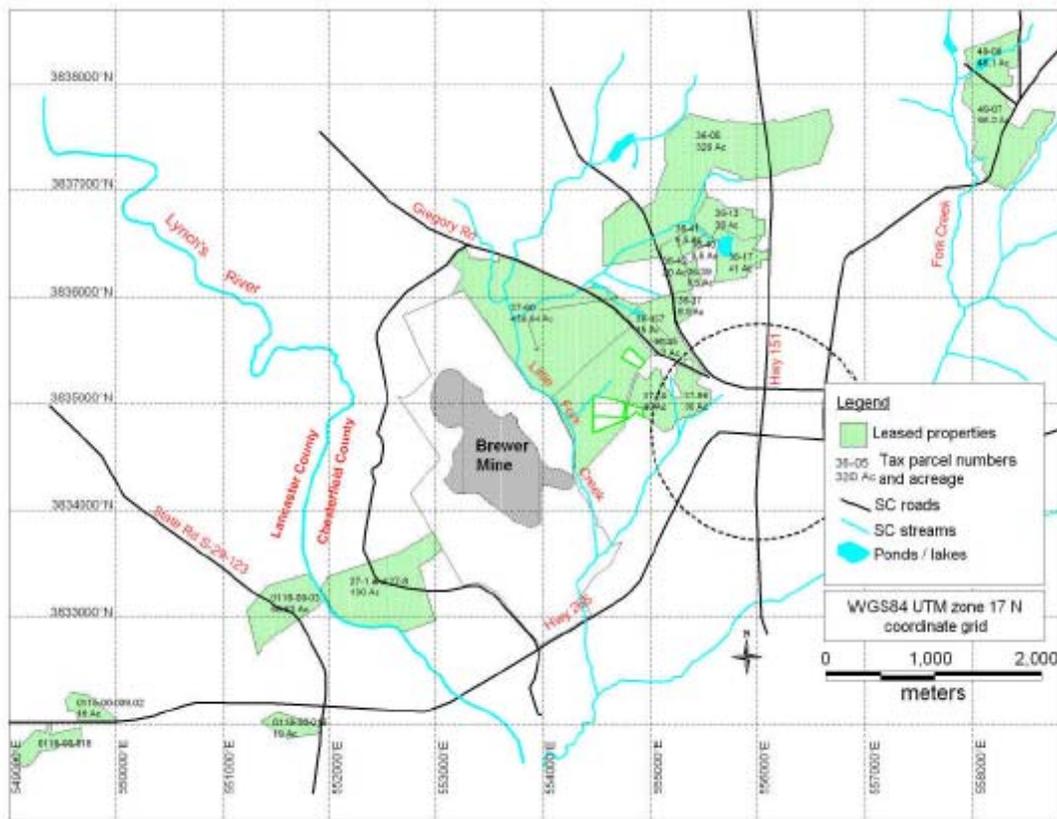


Figure 2. Buzzard-Jefferson Property Lease Map

The landowners receive annual rental payments, advance royalty payments after ten years, and a 3.5% gross royalty on production. The infrastructure, rural location with timbering, pasture, and agricultural land use, climate and pro-business environment are favourable for year-round exploration and mining.

Most gold deposits of the southern Piedmont are hosted in greenschist-grade metasedimentary and metavolcanic rocks of the Carolina Slate Belt ("CSB") lithostratigraphic province. The rocks of the Buzzard-Jefferson Property have a general stratigraphy that is typical of the CSB. The metasedimentary rocks of the Cambrian Richtex Formation overlie the Proterozoic-Cambrian generally metavolcanic rocks of the Persimmon Fork Formation along apparent conformable contacts and most mineralization is concentrated near the contact between these major rock units.

At the Buzzard-Jefferson Property, mineralization is generally along a regionally extensive northeast-striking structural trend. Detailed logging of exploration drill holes and geologic mapping of these prospects shows strong geologic, textural and mineralogical evidence of high-sulfidation alteration and intense leaching along the Buzzard-Brewer-Jefferson Trend. The early alteration was overprinted by lower temperature and downwardly telescoping low-sulfidation epithermal gold mineralization and related alteration in near vertical intrusive diatreme breccias, adjacent overpressure brecciation (crackle-breccia stockworks), and stratiform disseminations into mostly felsic volcanic rocks. This northeast-striking mineralized trend is centered on the high-sulfidation epithermal, distal porphyry-style mineralization at the adjacent Brewer Gold Mine property which is located between the relatively lower sulfidation Buzzard-Jefferson Property and the Optioner's mineral leases.

The Buzzard Property and six strongly anomalous areas of mineralization at the Jefferson Property are not closed in any direction. The project in respect of the Buzzard-Jefferson Property is a project of merit and further exploration is needed to evaluate this mineralizing system.

Over US\$6,100,000 has been spent to date on exploration of the Buzzard-Jefferson Property. Historic exploration and resource definition drilling at the Buzzard Property includes 22,443 feet of core and 12,212 feet of reverse-circulation drilling. Drill holes 2010-100 and 2010-101 offset historic core holes CDD-96-11 and CDD-96-1 respectively. Historic exploration drilling at the Jefferson Property includes 5,405.5 feet of core, 7,544 feet of reverse-circulation drilling and 18,500 feet of air-rotary drilling.

For further information in respect of the Buzzard-Jefferson Property, including the proposed work program and budget, please refer to the Buzzard-Jefferson Technical Report available on SEDAR at www.sedar.com.

Trading Price and Volume

The Firebird Shares are listed and posted for trading on the Exchange under the symbol "FIX". The following table sets forth information relating to the trading of the Firebird Shares on the Exchange for the months indicated:

	TSX Venture Exchange Sales Price		Volume (#)
	Low	High	
For Month Of			
May 2011 ⁽¹⁾	0.700	0.750	28,200
April 2011	0.700	0.800	346,598
March 2011	0.580	0.800	195,806
February 2011	0.500	0.750	178,816
Interim Periods Ended			
January 31, 2011	0.225	0.625	1,019,788
October 31, 2010	0.195	0.250	1,551,430
July 31, 2010	0.117	0.210	1,089,502
April 30, 2010	0.105	0.190	596,190
January 31, 2010	0.043	0.125	631,406
October 31, 2009	0.020	0.050	62,805
July 31, 2009	0.020	0.040	135,840

Note:

(1) For the period from May 1, 2011 – May 10, 2011.

Selected Unaudited *Pro-Forma* Consolidated Financial Information of the Company

The following selected unaudited *pro-forma* consolidated financial information for the Company is based on the assumptions described in the respective notes to the Company's unaudited *pro-forma* consolidated balance sheet as at January 31, 2011, attached to this Circular as Schedule "F". This unaudited *pro-forma* consolidated balance sheet has been prepared based on the assumptions that, among other things, the Arrangement and the Firebird Private Placement of 5,000,000 Firebird Units had occurred on January 31, 2011. The *pro-forma* consolidated balance sheet has been derived from the unaudited consolidated balance sheet of the Company as at January 31, 2011, after giving effect to the Arrangement. The *pro-forma* consolidated balance sheet is not intended to reflect the financial position that would have resulted if the events reflected therein had occurred on the dates indicated. In addition, the *pro-forma* consolidated balance sheet is not necessarily indicative of the financial position that may be attained in the future. The *pro-forma* consolidated balance sheet should be read in conjunction with the Company's unaudited consolidated financial statements for the three and nine months ended January 31, 2011, which financial statements are appended to this Circular as Schedule "I".

	<i>Pro-forma</i> January 31, 2011 (unaudited)
Cash	\$ 2,862,456
Other current assets	12,652
Mineral properties	101,973
Total assets	<u>\$ 2,977,081</u>
Current liabilities	\$ 139,109
Convertible debenture	76,288
Shareholders' equity	2,761,684
Total liabilities and shareholders' equity	<u>\$ 2,977,081</u>

The Company's Financial Statements

The Company's consolidated audited financial statements for the year ended April 30, 2010 and unaudited consolidated financial statements for the three and nine months ended January 31, 2011 are attached hereto as Schedules "H" and "I", respectively.

NEWCO AFTER THE ARRANGEMENT

The following is a description of Newco assuming completion of the Arrangement.

Name, Address and Incorporation

Newco was incorporated pursuant to the BCBCA on May 10, 2011 under the name "GTO Resources Inc.". Newco's registered and records office is located at Suite 1000, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2. Newco's head office is located at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B 4N5.

Intercorporate Relationships

Newco does not currently have any subsidiaries.

General Development of Newco's Business

Generally

Newco was incorporated on May 10, 2011 as a wholly-owned subsidiary of the Company and has not yet commenced commercial operations. Newco will acquire the Assets as part of the Arrangement and intends to commence operations as a mineral exploration and development company with a focus on the exploration and development of the RCU Property.

Stated Business Objectives

The principal business of Newco following the Arrangement is expected to be the exploration and development of the RCU Property. Newco intends to carry out the Phase I program recommended in the RCU Technical Report discussed in the section of this Circular entitled "*Newco After the Arrangement – Description of Material Property – The RCU Property*". A decision to implement any further exploration on the RCU Property will be based upon the results of the Phase I exploration program and the availability of further exploration funds. In addition, Newco may seek and acquire additional mineral properties worthy of exploration and development from time to time as such opportunities arise.

Milestones

The first milestone that must be achieved in order for Newco to meet its stated business objectives will be the approval and completion of the Plan of Arrangement. The Arrangement is expected to be completed on or about June 16, 2011. Following completion of the Arrangement, Newco intends to commence a Phase I work program on the RCU Property. A more detailed description of the Phase I work program and the budget in respect thereof for

the RCU Property is discussed in the section of this circular entitled "*Newco After the Arrangement – Description of Material Property – Recommendations*" below.

Trends

Newco has no history of earnings. Currently, Newco's only properties are the Assets. There are no known commercial quantities of mineral reserves on the RCU Property or the HPU Property. Development of Newco's mineral properties will only follow upon obtaining satisfactory results. There is no assurance that Newco's exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of Newco's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Other than as disclosed in this Circular, Newco is not aware of any trends, uncertainties, demands, commitments or events which are reasonably likely to have a material effect upon its revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Newco's Business

Generally

Newco will be a Canadian based mineral exploration company whose focus will be the acquisition, exploration and development of mineral properties. Newco's principal business following completion of the Arrangement is expected to be the exploration and development of the RCU Property. Newco may also acquire additional properties and carry out early stage exploration on such mineral properties and then sell, option or joint venture the properties or, depending upon the Newco's financial revenues and other factors, develop such properties to commercial production if and as such opportunities arise.

Description of the Assets

Under the Arrangement, the Company's interest in and to the Assets will be transferred to Newco in exchange for the Distributed Newco Shares. The Assets consist of the RCU Property and the HPU Property. The RCU Property will be Newco's only material property following the Arrangement. See the section of this Circular entitled "*Newco After the Arrangement – Description of Material Property*" for information relating to the RCU Property.

Results of Operations

Newco has not carried on any commercial operations to date.

Outlook

Newco's exploration program and ongoing business will be funded from its working capital. See the section of this Circular entitled "*Newco After the Arrangement – Selected Unaudited Pro-forma Financial Information of Newco*".

Liquidity and Capital Resources

Concurrently with the closing of the Arrangement, Newco intends to complete the Private Placement for approximately 2,333,333 Newco Units at a price per Newco Unit of \$0.30, for aggregate gross proceeds of approximately \$700,000. Each Newco Unit will consist of one Newco Share and one-half of one Private Placement Warrant. Each whole Private Placement Warrant will entitle the holder to purchase one Newco Share at a price of \$0.45 for a period of 18 months from the date of issue. Newco will use the funds from this Private Placement for general and administrative expenses and for working capital purposes following completion of the Arrangement. The Private Placement is expected to be an arm's length financing. The price per security was determined by Newco with attention to the current price of the Firebird Shares, the fact that each Firebird Share will be exchanged for approximately one-half of one Newco Share, the Discounted Market Price (as that term is defined in the policies of the Exchange) permissible pursuant by the Exchange policies, and the Assets being transferred to Newco under the Arrangement.

In the event that Newco does not complete the Private Placement, or if the amount raised thereunder is insufficient to allow Newco to fund its business activities and to meet its working capital needs for the twelve-month period

following the Listing Date, then Firebird shall advance the Loan to Newco. The Loan will have a term of two years, accrue interest at the rate of the prime lending rate of the Royal Bank of Canada in effect from time to time for Canadian dollar commercial demand loans plus three (3%) percent per annum and be subject to other terms and conditions as may be agreed upon by Firebird and Newco.

Newco is an exploration stage mineral exploration company and therefore will not have any regular source of income other than interest income earned on funds invested in any short-term deposits. As a result, Newco's ability to conduct operations, including the acquisition, exploration and development of mineral properties, will be based upon its cash-on-hand on completion of the Arrangement and its ability to raise funds, primarily from equity sources, and there can be no assurance that Newco will be able to do so.

Competitive Conditions

The mining industry is intensely competitive in all of its phases and Newco will compete with many companies possessing much greater financial and technical resources than itself. Competition in the mineral mining industry is primarily for: mineral rich properties that can be developed and produced economically; technical expertise to find, develop, and operate such properties; labour to operate the properties; and capital for the purpose of funding such properties. Many competitors not only explore for and mine minerals, but conduct refining and marketing operations on a global basis. Such competition may result in Newco being unable to acquire desired properties, to recruit or retain qualified employees or to acquire the capital necessary to fund Newco's operations and develop mining properties.

Summary of Material Property Commitments

Other than as disclosed herein, Newco will have no obligations to maintain the Assets in good standing for the first twelve months after closing of the Arrangement.

Pursuant to the RCU Agreement, the Company has earned a 100% undivided interest in the RCU Property, subject to an obligation to pay a royalty to the vendors thereof of \$0.20/lb of uranium produced from the RCU Property and/or a second property to a maximum of \$1,200,000. The royalty can be paid out at any time by Newco. Regardless of whether or not there is any production, Newco will be required to pay annual advance royalties of at least \$12,000.

Pursuant to the HPU Agreement, the Company has earned a 100% undivided interest in the HPU Property, subject to retention by the vendor of a 1% net smelter royalty if the Company commences commercial production on the claims. The Company has the option and right to purchase and cancel 100% of the net smelter royalty at any time thereafter for \$1,000,000.

Description of Material Property

The RCU Technical Report

Pursuant to the Plan of Arrangement and upon closing of the Arrangement, Newco will own an interest in a single material property, being the RCU Property. Substantially all of the information set forth below is summarized or extracted from the RCU Technical Report, which is incorporated by reference herein and is available on SEDAR at www.sedar.com.

Portions of the following information are based on assumptions, qualifications and procedures which are not fully described herein. Reference should be made to the full text of the RCU Technical Report available on SEDAR at www.sedar.com.

All resource estimates presented in the RCU Technical Report, and as discussed below, are historical and were prepared before the introduction of NI 43-101. These resource estimates may not be relied upon until they are confirmed using methods and standards that comply with those required by NI 43-101. The potential for the exploration target to replicate the historical resource, or to reach the indicated range of tonnages, is conceptual and is based on historical reports, which cite approximately lengths, widths, depths, grades and projections of the historical resource. Firebird Shareholders are cautioned that a "Qualified Person" has not completed sufficient exploration, test work or examination of past work to define a resource that is currently compliant with NI 43-101. The Company further cautions that there is risk that exploration and test work will not result in the delineation of a currently compliant resource. Neither the Company nor its personnel treat the historical resource estimate or the

historical data as defining a current mineral resource, as defined under NI 43-101, nor do they rely upon the estimate or the data for evaluation purposes. However, such data is considered relevant and will be used to guide exploration as the Company develops new data to support a current mineral or resource estimate in accordance with the requirements of NI 43-101.

The RCU Property

The RCU Property is an early stage exploration project located approximately fifty (50) kilometres north of Sudbury, Ontario. The RCU Property is located in the Sudbury Mining Division, District of Sudbury at 81°05'W and 46°55'N (NTS 41-1/14).



Figure 3. Index Map of RCU Property

The RCU Property consists of three contiguous unpatented mining claims composed of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships as described in Schedule "N" of this Circular. Pursuant to the RCU Agreement, the Company obtained the exclusive right to acquire a 100% interest in the RCU Property subject to certain conditions involving cash payments, exploration expenditures and the issuance of shares. As of the date hereof, all of the terms of the RCU Agreement have been met, and the RCU Agreement is in good standing, subject to the payment of annual advance royalties of at least \$12,000 to the vendors thereof regardless of production. The above-mentioned royalty payable to the vendors consists of \$0.20/lb of uranium produced from the RCU Property and/or a second property to a maximum of \$1,200,000. The royalty may be purchased at any time.

The RCU Property is underlain by Archean granitic and supracrustal rocks of the eastern extension of the Temagami greenstone belt unconformably overlain by Proterozoic metasediments. Nipissing Diabase sills and later diabase dykes intrude the earlier Archean and Proterozoic rocks. Anomalous uranium mineralization has been reported near the Archean-Paleoproterozoic unconformity. The uranium mineralization occurs with the Paleoproterozoic metasediments, primarily within pyritiferous argillite, oligiomictic quartz pebble paraconglomerates and polymictic paraconglomerates that are paleoplacer deposits that were formed in braided stream channels on the Archean

basement erosional surface. The highest uranium assays are associated with thin interbedded argillaceous units within the conglomerates.

The rare earth element mineralization is intimately associated with the uranium mineralization. The uranium mineralization consists of detrital (heavy) mineral grains of uraninite plus additional heavy minerals, one of which is monazite. Monazite contains approximately 90% of the REE contained within the paleoplacers. In any mill or concentrator the REE report in the acid leach solutions with the uranium.

Two uranium occurrences exhibiting similar characteristics are recorded on the RCU Property within the Mississagi Formation, the Nordic (also known as the Amax showing) and the Leslie occurrences. Other less significant uranium occurrences are found in the area, outside the RCU Property also within rocks of the Mississagi Formation near the unconformable Archean-Paleoproterozoic contact.

Over the past few years, the use of REE in various aspects of modern technology has increased significantly. China has been producing approximately 95% of the world's supply and on September 1, 2009 China announced that it would reduce its export quota by about 70% to 35,000 tonnes per year for the period 2010-2015 so as to protect the environment and to conserve scarce resources for domestic use. This, coupled with increasing demand, has resulted in significant price increases for several of the REE.

In the Elliot Lake area, which is the type area for the Ontario, Paleoproterozoic sediment-hosted uranium deposits, REE occur associated with the uranium mineralization. Just east of Elliot Lake, Pele Mountain Resources Inc. is developing their Eco Ridge Mine project and they are reporting the full range of REE plus yttrium associated with the uranium mineralization in the main conglomerate bed. Pele also reports that leaching tests show that over 60% of the REE are available in the uranium leach solutions and that the REE have been successfully recovered commercially in the past from the leach solutions.

The Nordic Occurrence has reported historic percussion drill chip assays of up to 0.046% U₃O₈ (0.92 lbs per ton) over 9 metres, with an average bulk sample grade of 0.038% U₃O₈ (0.76 lbs U₃O₈ per ton) on a 22.2 ton sample across a 9.14 metre horizontal width as recorded by A.S. Bayne, P.Eng. The sample grades are reported as "assays", however the method of analysis is not reported.

The Leslie Area contains three separate showings: Leslie 1, Leslie 2 and Leslie 3. The Leslie 2 showing has a reported historic estimate of the mineralized tonnage calculated at one million tons "in situ" of 0.036% U₃O₈ (0.80 lbs U₃O₈ per ton).

Recent sampling by the Company and L.D.S. Winter has indicated the presence of REE associated with the uranium mineralization and the areas of high radioactivity at both the Nordic and Leslie 2 areas. The REE assays from the Nordic samples gave values between 41.0 ppm TREE (total Rare Earth Elements plus yttrium) and 300.77 ppm with an average of 191 ppm. The TREE sample values from the Leslie occurrences ranged from 50 ppm to a high of 719 ppm with an average of 193 ppm. These samples were analyzed by AGAT Laboratories using their Lanthanide 4 acid digestion and an ICP-MS finish.

The model for uranium mineralization with associated REE of economic interest on the RCU Property is a Proterozoic pyritic paleoplacer type associated with early pre-oxygenated Proterozoic quartz pebble oligomictic conglomerate. Some previous authors have also suggested a uranium mineralization model in association with black carboniferous shale. The potential for VMS base metal mineralization exists within the underlying Archean greenstone belt. The reported presence of pervasive interstitial chalcopyrite and sphalerite grains within the overlying Proterozoic sediments helps to substantiate this potential. Recently paleoplacer gold up to 18.35 grams per tonne has been found in pyritic Paleoproterozoic basal conglomerates in Pardo Township about 27 kilometres to the southeast of the RCU Property. The potential for gold within the basal conglomerates of the RCU Property requires investigation.

Previous work on the RCU Property mainly took place starting in the 1950's through to the 1980's when there was decreased demand for uranium and prices dropped significantly. During this 30 year period work on the subject property consisted of geological mapping, prospecting, sampling, geophysical surveys, diamond and percussion drilling and bulk sampling. With the increase in the price of uranium starting in 2007 there was renewed interest in the RCU Property and ground and airborne geophysical surveys, prospecting, geological mapping, stripping and sampling were carried out by the Company and its predecessor companies. The RCU Property is at an early stage of evaluation and the recommended exploration program consists of mapping and sampling and an initial drilling

program to test radiometric targets of interest and to provide geological and mineralization information as the basis for further work as warranted.

Recommendations

The Phase I exploration program which includes 2,000 metres of drilling is recommended with an expenditure of \$413,000. Further work will be contingent on the results of the Phase I program.

The recommended program consists of line cutting of three grids followed by geological mapping, hand and power stripping and detailed sampling at the Nordic, Leslie 2/Target 3a and Target 3b areas to confirm the trends, orientations and extent of the zones as indicated by the radiometric surveys. A 2,000 metre drill program as a follow-up to the above work would complete Phase I. The focus of the Phase I program is on developing and testing an exploration model to be used in evaluating the potential of the RCU Property to host a deposit of economic interest, with two possible co-products, uranium and REE, within the favourable areas outlined by the radiometric surveys.

The budget for the above work is as follows:

ITEM	ESTIMATED COST
Line cutting of control grids on each of the Nordic Leslie 2/Target 3a and Target 3b areas; 20 line-km @ \$650/km.....	\$ 13,000
Power stripping in the 3 areas.....	\$ 15,000
Geological mapping of the 3 areas accompanied by radiometric surveying.....	\$ 10,000
Sampling of areas of interest	\$ 4,500
Analyses	\$ 8,000
Preliminary drill program: 2000 m @ \$100/m	\$ 200,000
Drill supervision, logging and sampling analyses @ \$40/m.....	\$ 80,000
Transportation	\$ 15,000
Compilation of data, identification of drill targets and preparation of report	\$ 20,000
Supervision and administration	\$ 10,000
Contingency at 10%	<u>\$ 37,500</u>
Total.....	<u>\$ 413,000</u>

Selected Unaudited Pro-Forma Financial Information of Newco

Newco was incorporated on May 10, 2011. Newco has not yet conducted any commercial operations. The following is a summary of certain financial information on a *pro-forma* basis for Newco as at January 31, 2011, assuming, among other things, completion of the Arrangement and the Private Placement as of such date, and should be read in conjunction with the unaudited *pro-forma* balance sheet of Newco appended to this Circular as Schedule "G". This *pro-forma* balance sheet was prepared as if the Arrangement and the Private Placement were completed as at January 31, 2011, taking into account the assumptions stated therein. The *pro-forma* balance sheet is not necessarily reflective of the financial position that would have resulted if the events described therein had occurred on January 31, 2011. In addition, the *pro-forma* balance sheet is not necessarily indicative of the financial position that may be attained in the future.

	Pro-forma January 31, 2011 (Unaudited)
Cash	\$ 700,001
Mineral properties	390,228
Total Assets	1,090,229
Working capital	700,001
Shareholders' Equity	1,090,229
Number of issued Newco Shares	25,208,741

Dividends

Newco has not paid any dividends on the Newco Shares since incorporation. Newco does not have a dividend policy and does not anticipate paying any dividends on the Newco Shares in the short or medium term. Any decision to pay dividends on the Newco Shares in the future will be made by the board of directors of Newco on the basis of the earnings, financial requirements and other conditions existing at such time.

Available Funds

On or before the Effective Date, Newco intends to complete the Private Placement for aggregate gross proceeds of up to approximately \$700,000. In the event that Newco does not complete the Private Placement, or if the amount raised thereunder is insufficient to allow Newco to fund its business activities and to meet its working capital needs for the twelve-month period following the Listing Date, then Firebird shall advance the Loan to Newco.

The estimated unaudited *pro-forma* working capital of Newco at January 31, 2011 is \$700,001, which will be available to Newco upon completion of the Arrangement (the "**Available Funds**").

Assuming completion of the Arrangement, Newco will use the Available Funds as follows:

USE OF AVAILABLE FUNDS	EXPENDITURES
Recommended Phase I work program on the RCU Property ⁽¹⁾	\$ 413,000
General and administrative expenses for 12 months ⁽²⁾	\$ 125,000
Unallocated working capital	\$ 122,909
Payment obligations ⁽³⁾	<u>\$ 39,092</u>
Total	<u>\$ 700,001</u>

Notes:

- (1) See "*Newco After the Arrangement – Description of Material Property – Recommendations*".
- (2) The Available Funds are expected to be sufficient to meet Newco's administrative costs for the next 12 months. See "*Newco After the Arrangement – Administrative Expenses*".
- (3) Subscriber's share will be cancelled on completion of the Arrangement.

Newco currently intends to spend the Available Funds as set out above. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

Administrative Expenses

The following table discloses the estimated aggregate monthly and yearly, general and administrative expenses that will be incurred by Newco:

Type of Administrative Expense	Monthly Estimated Expenditure	12-Month Expenditure
Audit, other professional fees and regulatory filing fees	\$ 4,000	\$ 48,000
Transfer Agent & Registrar	\$ 400	\$ 4,800
Office rent and office expenses	\$ 1,500	\$ 18,000
Website	\$ 500	\$ 6,000
Salaries	\$ 2,500	\$ 30,000
Miscellaneous	\$ 1,517	\$ 18,200
Total.....	\$ 10,417	\$ 125,000

Share and Loan Capital

The following table represents the share capital of Newco both prior to and assuming completion of the Arrangement.

Share Capital	Authorized	Prior to the Completion of the Arrangement	After Completion of the Arrangement
Newco Shares	Unlimited	1	25,208,741 ⁽¹⁾⁽²⁾
Class B Preferred Shares	Unlimited	Nil	Nil

Notes:

- (1) Assumes the Private Placement of 2,333,333 Newco Units had completed on January 31, 2011.
- (2) This figure does not include up to an estimated 20,676,666 Newco Shares to be issued under the Newco Warrants to be issued pursuant to the Plan of Arrangement, including the Newco Warrants to be issued pursuant to the Private Placement and the Firebird Private Placement.
- (3) Subscriber's share will be cancelled on completion of the Arrangement.

Concurrently with the closing of the Arrangement, Newco intends to complete the Private Placement. In the event that Newco does not complete the Private Placement, or if the amount raised thereunder is insufficient to allow Newco to fund its business activities and to meet its working capital needs for the twelve-month period following the Listing Date, then Firebird shall advance the Loan to Newco. The Loan will have a term of two years, accrue interest at the rate of the prime lending rate of the Royal Bank of Canada in effect from time to time for Canadian dollar commercial demand loans plus three (3%) percent per annum and be subject to other terms and conditions as may be agreed upon by Firebird and Newco.

Description of the Newco Shares

Each Newco Share carries one vote at all meetings of shareholders, participates ratably in any dividends declared by the directors of Newco on the Newco Shares, and is entitled, on the liquidation, dissolution, winding-up or other distribution of assets of Newco for the purposes of winding-up its affairs, to a *pro-rata* share of the assets of Newco after payment of all its liabilities and obligations. See the section of this Circular entitled "*The Arrangement – Resale of New Shares and Newco Shares.*"

Listing Application

The Company has applied to list the Newco Shares on the Exchange. Listing on the Exchange will be subject to Newco and/or Firebird fulfilling all of the listing requirements of the Exchange. Closing of the Arrangement is conditional upon the Newco Shares being listed on the Exchange.

Fully-Diluted Share Capital of Newco

The *pro-forma* fully diluted share capital of Newco as January 31, 2011, assuming completion of the Arrangement and the exercise of all Newco Warrants is set out below:

Designation of Newco Securities	Number of Newco Shares	Percentage of Total Issued Newco Shares
Subscriber's share issued on incorporation ⁽¹⁾	1	0.0%
Newco Shares issued in exchange for the Assets, which shares will be distributed to the Firebird Shareholders ⁽²⁾	22,875,407	49.9%
Newco Shares issued pursuant to the Private Placement ⁽³⁾	2,333,333	5.1%
Newco Shares to be issued pursuant to the Private Placement Warrants ⁽³⁾	1,166,666	2.5%
Newco Shares to be issued pursuant to the Newco Warrants ⁽²⁾⁽⁴⁾	19,510,000	42.5%
Total	45,885,407	100%

Notes:

- (1) Subscriber's share will be cancelled on completion of the Arrangement.
- (2) Assuming completion of the Firebird Private Placement of 5,000,000 Firebird Units at or prior to the Effective Date.
- (3) Assuming completion of the Private Placement of 2,333,333 Newco Units at or prior to the Effective Time.
- (4) Based on the number of Firebird Warrants outstanding as at January 31, 2011.

Prior Sales of Securities of Newco

Newco has not issued any shares in the capital of Newco except one (1) Newco Share to Firebird upon incorporation on May 10, 2011 for cash consideration of \$1.00.

Options and Warrants

Stock Options

The Firebird Shareholders will be asked at the Meeting to approve the Newco Option Plan. See the section of this Circular entitled "*Approval of the Newco Option Plan*". As of the Effective Date, assuming approval of the Newco Option Plan by the Firebird Shareholders, there will be 2,520,874 Newco Shares available for issuance under the Newco Option Plan.

Convertible Securities

The following convertible securities of Newco will be outstanding as of the Effective Date. As of the date of this Circular, Newco has not granted any options under the Newco Option Plan.

Designation of Security	Date of Expiry	Newco Shares Issuable Upon Exercise	Exercise Price
Newco Warrants	18 Months after issuance	1,250,000 ⁽¹⁾	\$1.00
Private Placement Warrants	18 Months after issuance	1,166,666 ⁽²⁾	\$0.45
Newco Warrants	September 29, 2014	1,200,000 ⁽³⁾	\$0.25
Newco Warrants	November 13, 2014	11,000,000 ⁽³⁾	\$0.05
Newco Warrants	December 10, 2014	3,255,000 ⁽³⁾	\$0.05
Newco Warrants	January 14, 2015	2,805,000 ⁽³⁾	\$0.05

Notes:

- (1) Assuming completion of the Firebird Private Placement of 5,000,000 Firebird Units on or before the Effective Date.
- (2) Assuming completion of the Private Placement of 2,333,333 Newco Units on or before the Effective Date.
- (3) The number of Newco Shares issuable is based on the number of Firebird Warrants being outstanding as at January 31, 2011.

Principal Shareholders of Newco

To the knowledge of the directors and executive officers of the Company, there are no persons or companies who management of the Company expects will beneficially own, directly or indirectly, or exercise control or direction over, Newco Shares carrying 10% or more of the voting rights attached to all of the issued and outstanding Newco Shares as at the Effective Date. Pursuant to the Option Agreement and the Arrangement, the Optioner will not receive any Newco Shares pursuant to the Arrangement.

Directors and Officers of Newco

The following table sets out the names of the directors and officers of Newco, the municipalities of residence of each, all offices currently held by each of them, their principal occupations within the five preceding years, the period of time for which each has been a director or executive officer of Newco, and the number and percentage of Newco Shares to be beneficially owned by each, directly or indirectly, or over which control or direction will be exercised, upon completion of the Arrangement.

Name, Province and Country of Residence	Principal Occupation	Current Position(s) with the Company	Director Since	Number of Securities Beneficially Owned or over which Control or Direction is Exercised
Thomas R. Tough ⁽¹⁾⁽²⁾ <i>British Columbia, Canada</i>	President and Chief Executive Officer of Firebird from January 2010 to March 2011; President, Chief Executive Officer and a director since January 2006, June 2008, and October 2003, respectively, of Maxtech Ventures Inc.; President, Chief Executive Officer and a director from October 2009 until March 2011 of CLI Resources Inc.; a director since March 2006 of Desert Gold Ventures Inc.; President and Chief Executive Officer from November 2003 until November 2007 and a director from November 2003 until January 2011 of Potash One Inc.; and a director of Aroway Minerals Inc. from 2008 until 2010.	Chief Executive Officer and Director	May 10, 2011	Nil
Randy Clifford <i>Alberta, Canada</i>	Mr. Clifford has over twenty-five years of business and corporate management and consulting experience. Mr. Clifford currently provides management consulting services to a number of public and private companies in various industries. Mr. Clifford is currently an officer and/or a director of the following public companies: Firebird Capital Partners Inc., Vanguard Investments Corp. and Wedona Capital Inc. Mr. Clifford has served as an officer and/or director in the past for Cash Canada Group Ltd. and Mega Moly Inc. (now Terreno Resources Corp.).	Chief Financial Officer	N/A	Nil

Name, Province and Country of Residence	Principal Occupation	Current Position(s) with the Company	Director Since	Number of Securities Beneficially Owned or over which Control or Direction is Exercised
Glen C. Macdonald ⁽¹⁾⁽²⁾ <i>British Columbia, Canada</i>	Professional Geologist. Secretary and a director of Encore Renaissance Resources Corp. since April 1998; a director of Dunes Exploration Ltd. since September 2003; a director of Firebird Capital Partners Inc. since November 2010; a director of Golden Cariboo Resources Ltd. since March 2003; a director of Maxim Resources Inc. since January 2004; a director of Mystique Energy, Inc. since April 2010; a director of Solitaire Minerals Corp. since January 2004; a director of Teslin River Resources Corp. since May 2004; a director of Thelon Ventures Ltd. since May 2003; a director of Vanguard Investments Corp. since November 2009; a director of Westminster Resources Ltd. since July 2008; a director of Westridge Resources Inc. since May 2010; and a director of WPC Resources Inc. since February 2010.	Director	May 10, 2011	1,000,000 ⁽³⁾
Kenneth Ralfs ⁽¹⁾⁽²⁾ <i>British Columbia, Canada</i>	Geologist, President, Chief Executive Officer and a director since May 2009 of Mystique Energy Inc.; and a director of Dunes Exploration Ltd. since June 2004.	Director	May 10, 2011	Nil

Note:

- (1) Member of the Audit Committee of the Company.
- (2) Member of the Compensation and Corporate Governance Committee of the Company.
- (3) The reported amount does not include 1,000,000 Newco Warrants to purchase Newco Shares on a one-for-one basis.

Management of Newco

The following is a description of the individuals who will be directors and officers of Newco following the completion of the Arrangement:

Thomas R. Tough, age 73, is the Chief Executive Officer and a director of Newco. Mr. Tough has been a director of the Company since January 2010 and formerly was the Company's President and Chief Executive Officer from January 2010 until March 2011. Mr. Tough has more than 40 years' experience as a self-employed consulting Professional Engineer in 40 different countries, in both the western and eastern hemispheres. During his career he has been involved in property examinations, qualifying reports, evaluations, project acquisitions and negotiations, mine evaluation, underground and surface exploration, reserve and resource estimations, mine and mill planning and processing, pre-feasibility and feasibility studies, development and production, open pit and underground, as operator, project manager, and consultant on precious and base metals, industrial minerals, gemstones and oil and gas. He has negotiated corporate financings and joint venture partnerships and dealt with various levels of domestic and foreign government bodies.

Mr. Tough has held numerous directorships and officer positions in public and private companies, including the role of President, Chief Executive Officer and Director of Desert Sun Mining Corp. for 18 years until, in April 2006, Yamana Gold Inc. purchased the Company and its producing gold mine in Brazil. Mr. Tough has been the President, Chief Executive Officer and a director since January 2006, June 2008, and October 2003, respectively, of Maxtech Ventures Inc. President, Chief Executive Officer and a director from October 2009 until March 2011 of CLI Resources Inc. He has been a director since March 2006 of Desert Gold Ventures Inc., President and Chief Executive Officer from November 2003 until November 2007 and a director since November 2003 of Potash One Inc.; and a director of Aroway Minerals Inc. from 2008 until 2010.

Randy Clifford, age 62, is the Chief Financial Officer of Newco. Mr. Clifford is currently a director of Firebird Capital Partners Inc. an Exchange listed company, a director and officer of Vanguard Investments corp., a Canadian National Stock Exchange listed company and a director and officer of Wedona Capital Inc., a newly formed capital pool corporation.

Mr. Clifford has over twenty-five years of corporate management and consulting experience. Mr. Clifford was instrumental with raising the funds required and the preparation of all documentation for the graduation of Firebird Capital Partners Inc. from that of a capital pool corporation to Tier 2 on the Exchange as an oil & gas issuer. Mr. Clifford was the Chairman from 1996 to 2006, Chief Executive Officer from 1999 to 2006 and a director from 1996 to 2006 of Cash Canada Group Ltd. During his tenure with Cash Canada he organized the company for graduation to Tier 1 issuer status on the TSX Venture Exchange, assisted in turning the company from constant losses to consistent profitability and was the full time operational Chief Executive Officer from November 2002 to May 2006. During this period he spearheaded the company's success in procuring debenture and bank financing of \$3,000,000. In addition, Mr. Clifford served as a director of Terreno Resources Corp. (formerly Mega Moly Inc.) from 1995 to 2010 and was the President and a director of its predecessor company, Westview Commercial Inc. from 2000 – 2007. Mr. Clifford worked closely with other management, legal counsel and the auditors in achieving reinstatement of Westview Commercial Inc. to the TSX Venture Exchange from the NEX Exchange, and was influential in sourcing in excess of \$5,000,000 of financing and acquisitions.

Glen Macdonald, age 62, is a director of Newco. He has been a director of the Company since January 2010. Mr. Macdonald is a self-employed geology consultant. He has a BSc. (1973) from the University of British Columbia and has been a member of the Alberta Professional Engineers, Geologists and Geophysicists Association since 1982 and of the British Columbia Association of Professional Engineers and Geoscientists since 1993. Mr. Macdonald has extensive experience in the junior mineral exploration including mining and the oil & gas sector.

Mr. Macdonald has a great deal of experience as a director and officer of junior public companies and substantial audit committee experience. He has been the Secretary and a director of Encore Renaissance Resources Corp. since April 1998, a director of Dunes Exploration Ltd. since September 2003, a director of Firebird Capital Partners Inc. since November 2010, a director of Golden Cariboo Resources Ltd. since March 2003, a director of Maxim Resources Inc. since January 2004, a director of Mystique Energy, Inc. since April 2010, a director of Solitaire Minerals Corp. since January 2004, a director of Teslin River Resources Corp. since May 2004, a director of Thelon Ventures Ltd. since May 2003, a director of Vanguard Investments Corp. since November 2009, a director of Westminster Resources Ltd. since July 2008, a director of Westridge Resources Inc. since May 2010, and a director of WPC Resources Inc. since February 2010.

Ken Ralfs, age 64, is a director of Newco. He has been a director of the Company since October 2009. Mr. Ralfs is a geologist and has been President, Chief Executive Officer and a director since May 2009 of Mystique Energy Inc. and a director of Dunes Exploration Ltd. since June 2004.

The directors and officers of Newco anticipate that they will dedicate the following percentage of their time to the affairs of the Company: Thomas R. Tough, 10%; Randy Clifford, 20%; Ken Ralfs, 20%; and Glen Macdonald, 5%. Actual time spent by each individual may be more or less depending on Newco's requirements.

Corporate Cease Trade Orders

Except as otherwise disclosed herein, no director, officer, promoter or other member of management of Newco is, as of the date of this Circular, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, issued either while that person was acting in that capacity or after that person ceased to act in that capacity if it resulted from an event that occurred while that person was acting in that capacity. See "*Election of Directors – Corporate Cease Trade Orders*" above for additional information.

Bankruptcies

No director, officer, promoter or other member of management of Newco is, as of the date of this Circular, or has been within 10 years before the date hereof, a director or executive officer of any company that, while such 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.

No director, officer, promoter or other member of management of Newco is, within 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 his assets.

Penalties or Sanctions

No director, officer, promoter or other member of management of Newco 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 securityholder in deciding whether to vote for a proposed director.

Conflicts of Interest

The directors of Newco are required by law to act honestly and in good faith with a view to the best interest of Newco and to disclose any interests which they may have in any project or opportunity of Newco. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not Newco will participate in any project or opportunity, that director will primarily consider the degree of risk to which Newco may be exposed and its financial position at that time.

Except as disclosed in this Circular, to the best of the Company's knowledge, there are no known existing or potential conflicts of interest among Newco and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

Executive Compensation

The executive officers of Newco are Thomas R. Tough, Chief Executive Officer and Randy Clifford, Chief Financial Officer.

Newco does not have an employment contract with any of its executive officers pursuant to which the executive officers will be compensated for their services as executive officers of Newco.

Audit Committee Disclosure

Composition of the Audit Committee

Newco's Audit Committee is currently composed of Thomas R. Tough, Ken Ralfs and Glen Macdonald. Each member of Newco's Audit Committee is financially literate and Ken Ralfs and Glen Macdonald are independent members. Mr. Tough is not an independent member of the Audit Committee by virtue of being Chief Executive Officer of the Newco.

Relevant Education and Experience

The relevant education and experience of the members of the Audit Committee used in assessing their financial literacy is discussed in the section of this Circular entitled "*Audit Committee Disclosure – Relevant Education and Experience*".

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Newco's most recently completed financial year has Newco 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 (*Exemptions*) of NI 52-110.

Pre-approval Policies and Procedures

Newco has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee's charter attached hereto as Schedule "L".

External Auditor Service Fees (by category)

No fees have been billed by Newco's external auditors since incorporation.

Exemption

Newco is relying on section 6.1 of NI 52-110, which exempts Newco from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

Audit Committee Charter

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

Indebtedness of Directors and Executive Officers of Newco

No individual who is, or at any time from the date of Newco's incorporation to the date hereof was a director or executive officer of Newco, or an associate or affiliate of such an individual, is or has been indebted to Newco.

Interest of Management and Others in Material Transactions

Except as otherwise disclosed herein, no director, executive officer or shareholder holding more than 10% of all issued and outstanding Newco Shares and no associate or affiliate of the foregoing persons has or had any material interest, direct or indirect, in any transaction since Newco's incorporation or in any proposed transaction which in either such case has materially affected or will materially affect Newco.

Auditors

Saturna Group Chartered Accountants LLP are the auditors of Newco and have an office at 1066 West Hastings Street, Suite 1250, Vancouver, British Columbia V6E 3X1.

Material Contracts

The following are the contracts which are material to Newco and which have been entered into within the two years prior to the date of this Circular:

1. the Arrangement Agreement; and
2. the Newco Option Plan.

In addition, following completion of the Arrangement, Newco will assume Firebird's obligations under the RCU Agreement and the HPU Agreement. See the section of this Circular entitled "*Newco After the Arrangement – Summary of Material Property Commitments*."

The material contracts described above may be inspected at the registered office of Newco at 1000 – 925 West Georgia Street, Vancouver, British Columbia, during normal business hours prior to the Meeting and for a period of thirty days thereafter.

Promoters

The Company is the promoter of Newco.

Sponsorship

Pursuant to the applicable Exchange policies, sponsorship is required in conjunction with the Arrangement contemplated herein. Newco has made an application to the Exchange for an exemption from the sponsorship requirement.

TRANSFER AGENT AND REGISTRAR

Firebird's registrar and transfer agent is Computershare, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9.

Prior to the Effective Date, Newco intends to appoint Computershare, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9 as its registrar and transfer agent.

LEGAL PROCEEDINGS

There are no pending legal proceedings to which the Company or Newco is or is likely to be a party or of which any of its properties are, or to the best of knowledge of management of the Company or Newco, are likely to be subject.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Shareholders of the Company may contact the Company to request copies of the Company's financial statements and management's discussion and analysis by sending a written request to Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B 4N5, Attention: Stephen Gledhill. Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial year.

EXPERTS

The audited consolidated financial statements of the Company as at April 30, 2010 and for the year then ended, and included in this Circular, have been so included in reliance upon the report of Saturna Group Chartered Accountants LLP, and upon the authority of such firm as experts in accounting and auditing. Saturna Group Chartered Accountants LLP is independent within the meaning of the applicable rules of professional conduct in Canada.

Robert G. Komarechka, P.Geo., and L.D.S. Winter, P.Geo., are the authors of the RCU Technical Report dated February 25, 2011, which was prepared in accordance with NI 43-101. The technical information in respect of the RCU Property that is described in this Circular has been extracted from the RCU Technical Report, which technical report is incorporated herein by reference in its entirety.

Richard C. Capps, PhD, CPG., are the authors of the Buzzard-Jefferson Technical Report dated July 18, 2010, which was prepared in accordance with NI 43-101. The technical information concerning the Buzzard-Jefferson Property that is described in this Circular has been summarized and/or extracted from the Buzzard-Jefferson Technical Report.

The above mentioned technical reports are available on SEDAR at www.sedar.com under the Company's profile. None of the authors of the above report held any securities of the Company or of Newco when they prepared the reports referred to above or following the preparation of such reports, nor did they receive any direct or indirect interest in any securities of the Company or Newco.

Each of the above named experts has advised the Company that they beneficially own, directly or indirectly, less than 1% of the outstanding Firebird Shares, and as a group they own less than 1% of the issued Firebird Shares.

OTHER MATTERS

The Directors are not aware of any other matters which they anticipate will come before the Meeting as of the date of this Circular.

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the Board.

Dated at Vancouver, British Columbia this 26th day of April, 2011.

**BY ORDER OF THE BOARD OF DIRECTORS
of Firebird Resources Inc.**

/s/ "Thomas R. Tough"

Thomas R. Tough
Chairman and Director

CERTIFICATE OF THE CORPORATION

Date: April 26, 2011

The foregoing management information circular constitutes full, true and plain disclosure of all material facts relating to the transactions contemplated in this management information circular as required by the securities legislation of the Provinces of British Columbia and Alberta.

By: /s/ "John Cook"
John Cook
President and Chief Executive Officer

By: /s/ "Stephen Gledhill"
Stephen Gledhill
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

By: /s/ "Thomas R. Tough"
Thomas R. Tough
Director

By: /s/ "Kenneth Ralfs"
Kenneth Ralfs
Director

By: /s/ "Glen C. Macdonald"
Glen C. Macdonald
Director

AUDITORS' CONSENT

We have read the Management Information Circular of Firebird Resources Inc. (the "Company") dated April 26, 2011 relating to its proposed spin-off of interests in exploration assets to GTO Resources Inc. and subsequent related transactions. We have complied with Canadian generally accepted standards for auditors' involvement with Management Information Circulars.

We consent to the use in the above-mentioned Management Information Circular of our report to the shareholders of the Company on the balance sheet of the Company as at April 30, 2010 and the statements of operations, comprehensive loss, deficit, and cash flows for the year then ended.

Our report was dated August 25, 2010.

/s/ SATURNA GROUP CHARTERED ACCOUNTANTS LLP

Saturna Group Chartered Accountants LLP

Vancouver, Canada

April 26, 2011

SCHEDULE "A"

RESOLUTIONS FOR THE ANNUAL AND SPECIAL MEETING OF FIREBIRD RESOURCES INC.

Capitalized words used in this Schedule "A" and not otherwise defined shall have the meaning ascribed to such terms in the Circular.

1. To approve the Company's Stock Option Plan

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Firebird Option Plan, substantially in the form presented to the directors of the Company and attached as Schedule "J" to the Circular, be and is hereby affirmed, ratified and approved. The form of the Firebird Option Plan may be amended in order to satisfy the requirements, requests or recommendations of any regulatory authority without requiring further approval of the shareholders of the Company, and each director and officer of the Company be, and is hereby, authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to this resolution, the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and
2. notwithstanding this resolution having 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 it being acted upon without further approval of the Firebird Shareholders.

2. To approve the Arrangement

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the Arrangement Agreement dated May 12, 2011 between the Company and Newco, attached as Schedule "B" to the Circular, is hereby affirmed, ratified and approved;
2. the Arrangement pursuant to Division 5 of Part 9 – *Arrangements* of the BCBCA, substantially as may be set forth in the Plan of Arrangement attached as Exhibit II to Schedule "B" of the Circular, is hereby approved and authorized;
3. notwithstanding that this special resolution has been passed by the Firebird Shareholders or that the Arrangement has received the approval of the Court, the board of directors of the Company may amend the Arrangement Agreement and/or decide not to proceed with the Arrangement or revoke this special resolution at any time prior to the filing of Articles of Arrangement giving effect to the Arrangement with the Registrar without further approval of the Firebird Shareholders; and
4. any director or officer of the Company be and is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable to give effect to this special resolution (including, without limitation, the execution and delivery of Articles of Arrangement to the Registrar), the execution and delivery of any such document or the doing of any such other act or thing being conclusive evidence of such determination.

3. To approve the Newco Option Plan

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Newco Option Plan adopted by Newco be, and the same is, hereby approved, ratified and affirmed;
2. any director or officer of Newco be and is hereby authorized, for or on behalf of Newco, to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement this ordinary resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such

documents or instruments and the taking of any such actions, and, to the extent that any such documents and instruments were executed and delivered prior to the date hereof, the execution and delivery thereof by any director or officer be, and is hereby, approved, ratified and affirmed; and

3. notwithstanding this resolution having been duly passed by the Firebird Shareholders, the directors of the Newco be, and are hereby, authorized and empowered to revoke this resolution at any time prior to it being acted upon without further approval of the Firebird Shareholders.

SCHEDULE "B"

THE ARRANGEMENT AGREEMENT

(See attached.)

THE ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated as of the 12th day of May, 2011.

BETWEEN:

FIREBIRD RESOURCES INC., a corporation existing under the laws of British Columbia, with a business office at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B VN5

("Firebird" or the "Company")

AND:

GTO RESOURCES INC., a corporation incorporated under the laws of British Columbia, with a business office at Suite 2500 – 555 West Hastings Street, Vancouver, British Columbia V6B VN5

("Newco")

WHEREAS:

A. Firebird and Newco have agreed to proceed with a corporate restructuring by way of a statutory plan of arrangement pursuant to which:

- (i) the Assets (as hereinafter defined) will be transferred to Newco in exchange for common shares of Newco;
- (ii) Firebird will reorganize its capital; and
- (iii) Firebird will distribute the common shares of Newco which it receives in exchange for the Assets to the Firebird Shareholders (as hereinafter defined);

B. Firebird proposes to convene a meeting of the Firebird Shareholders to consider the Arrangement pursuant to the Arrangement Provisions of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement attached as Exhibit II hereto; and

C. Each of the parties to this Agreement has agreed to participate in and support the Arrangement.

NOW THEREFORE, in consideration of the promises and the respective covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereby covenant and agree as follows:

ARTICLE 1 DEFINITIONS, INTERPRETATION AND EXHIBITS

1.1 **Definitions:** In this Agreement, including the recitals hereto, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) "**Agreement**" means this agreement including the exhibits attached hereto as same may be amended or restated from time to time;
- (b) "**Arrangement**" means the arrangement under the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in the Plan of Arrangement;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 - *Arrangements* of the BCBCA;

- (d) "**Assets**" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;
- (e) "**BCBCA**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) "**Court**" means the Supreme Court of British Columbia;
- (h) "**Effective Date**" means the date upon which the Arrangement becomes effective;
- (i) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;
- (j) "**Exchange**" means the TSX Venture Exchange;
- (k) "**Final Order**" means the final order of the Court approving the Arrangement;
- (l) "**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares as described in §3.1(b)(i) of the Plan of Arrangement;
- (m) "**Firebird Class B Preferred Shares**" means the Class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of the Plan of Arrangement;
- (n) "**Firebird Meeting**" means the annual general and special meeting of the Firebird Shareholders to be held by the Company in connection with the Arrangement, and any adjournment(s) or postponement(s) thereof, to consider, among other things, and if deemed advisable approve, the Arrangement;
- (o) "**Firebird Optionholder**" means a holder of the Firebird Options;
- (p) "**Firebird Option Plan**" means the stock option plan of the Company;
- (q) "**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;
- (r) "**Firebird Shareholder**" means a holder of Firebird Shares;
- (s) "**Firebird Shares**" means outstanding common shares without par value in the authorized share structure of the Company, as constituted on the date hereof;
- (t) "**Firebird Warrantholder**" mean a holder of the Firebird Warrants;
- (u) "**Firebird Warrants**" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;
- (v) "**HPU Property**" means the Hyman Porter Uranium Property, comprised of 70 claims totaling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Exhibit I attached to this Agreement;
- (w) "**Information Circular**" means the management information circular of Firebird to be sent to the Firebird Shareholders in connection with the Firebird Meeting;
- (x) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Firebird Meeting and the Arrangement;

- (y) "**New Firebird Warrants**" mean the common share purchase warrants of Firebird to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of the Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of such Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (z) "**New Shares**" means the new class of common shares without par value which Firebird will create pursuant to §3.1(b)(ii) of the Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Firebird Shares;
- (aa) "**Newco Shareholder**" means a holder of Newco Shares as at the date hereof;
- (bb) "**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date hereof;
- (cc) "**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of the Plan of Arrangement, all of which Newco Warrants shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (dd) "**Notice of Alteration**" means the notice of alteration to the articles of Firebird;
- (ee) "**Person**" means and includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, a trustee, executor, administrator or other legal representative and the Crown or any agency or instrumentality thereof;
- (ff) "**Plan of Arrangement**" means the plan of arrangement attached to this Agreement as Exhibit II, as amended or restated from time to time;
- (gg) "**RCU Property**" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario, as further described in Exhibit I attached to this Agreement; and
- (hh) "**Registrar**" means the Registrar of Companies under the BCBCA.

1.2 **Currency:** All amounts of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 **Interpretation Not Affected by Headings:** The division of this Agreement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement. The terms "this Agreement", "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and the exhibits hereto as a whole and not to any particular article, section, subsection, paragraph or subparagraph hereof and include any agreement or instrument supplementary or ancillary hereto.

1.4 **Number and Gender:** In this Agreement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter, and words importing a person shall include a partnership or corporation.

1.5 **Date for any Action:** In the event that any date on which any action is required to be taken hereunder by Firebird or Newco is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 **Meaning:** Words and phrases used herein (and not otherwise defined) and defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.7 **Exhibits:** Attached hereto and deemed to be incorporated into and forming part of this Agreement is Exhibit I, being a description of the Assets, Exhibit II, being the Plan of Arrangement and Exhibit III, being the special rights and restrictions for the Firebird Class B Preferred Shares.

ARTICLE 2 ARRANGEMENT

2.1 **Arrangement:** The parties agree to effect the Arrangement pursuant to the Arrangement Provisions on the terms and subject to the conditions contained in this Agreement and the Plan of Arrangement.

2.2 **Effect of the Plan:**

- (a) The Notice of Alteration will be filed with the Registrar with the purpose and intent that none of the provisions of the Plan of Arrangement will become effective unless all of the provisions of the Plan of Arrangement will have become effective; and
- (b) The Plan of Arrangement, upon the filing of the Notice of Alteration with the Registrar, will become effective and be binding on and after the Effective Time, on Firebird, Newco and Firebird's securityholders.

2.3 **Filing of Final Material with the Registrar:** Subject to the rights of termination contained in Article 6 hereof, upon the Firebird Shareholders approving the Arrangement by special resolution in accordance with the provisions of the Interim Order and the BCBCA, Firebird obtaining the Final Order and the other conditions contained in Article 5 hereof being complied with or waived, Firebird on its behalf and on behalf of Newco shall file, pursuant to section 291 of the BCBCA, the Notice of Alteration and all other necessary documents to give effect to the Arrangement.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties:** Each of the parties hereby represents and warrants to the other that:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of its jurisdiction of existence and has full capacity and authority to enter into this Agreement and to perform its covenants and obligations hereunder;
- (b) it has taken all corporate actions necessary to authorize the execution and delivery of this Agreement and this Agreement has been duly executed and delivered by it;
- (c) neither the execution and delivery of this Agreement nor the performance of any of its covenants and obligations hereunder will constitute a material default under, or be in any material contravention or breach of: (i) any provision of its constituting or governing corporate documents, (ii) any judgment, decree, order, law, statute, rule or regulation applicable to it or (iii) any agreement or instrument to which it is a party or by which it is bound; and
- (d) no dissolution, winding up, bankruptcy, liquidation or similar proceedings have been commenced or are pending or proposed in respect of it.

ARTICLE 4 COVENANTS

4.1 **Commitment to Effect:** Subject to termination of this Agreement pursuant to Article 6, the parties shall each use all reasonable efforts and do all things reasonably required to cause the Plan of Arrangement to become effective as soon as possible after approval of the Arrangement by the Firebird Shareholders at the Firebird Meeting,

or by such other date as Firebird and Newco may determine, and in conjunction therewith to cause the conditions described in §5.1 to be complied with or waived, as the case may be, prior to the Effective Date.

4.2 **Obligation to Execute Documents**: Each of the parties covenants with the other that it will do and perform all such acts and things, and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of this Agreement.

4.3 **Giving Effect to the Arrangement**: The Arrangement shall be effected as follows:

- (a) the parties shall proceed forthwith to apply for the Interim Order providing for, among other things, the calling and holding of the Firebird Meeting for the purpose of, among other things, considering and, if deemed advisable, approving and adopting the Arrangement;
- (b) the Newco Shareholder shall approve the Arrangement by a consent resolution;
- (c) the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, as determined at the record date for the Firebird Meeting shall approve the Arrangement by separate unanimous consent resolutions;
- (d) upon obtaining the Interim Order, Firebird shall call the Firebird Meeting (if it has not already done so) and mail the Information Circular and related notice of meeting and form of proxy to the Firebird Shareholders;
- (e) if the Firebird Shareholders approve the Arrangement as set out in §5.1(b) hereof, Firebird shall thereafter (subject to the exercise of any discretionary authority granted to Firebird's directors by the Firebird Shareholders) take the necessary actions to submit the Arrangement to the Court for approval and grant of the Final Order; and
- (f) upon receipt of the Final Order, Firebird shall, subject to compliance with any of the other conditions provided for in Article 5 hereof and to the rights of termination contained in Article 6 hereof, file the material described in §2.3 with the Registrar in accordance with the terms of the Plan of Arrangement.

ARTICLE 5 CONDITIONS

5.1 **Conditions Precedent**: The respective obligations of the parties to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of the following conditions:

- (a) the Interim Order shall have been granted in form and substance satisfactory to Firebird and Newco;
- (b) the Arrangement and this Agreement, with or without amendment, shall have been approved at the Firebird Meeting by the Firebird Shareholders in accordance with the Arrangement Provisions, the constating documents of Firebird, the Interim Order and the requirements of any applicable regulatory authorities;
- (c) the Arrangement and this Agreement, with or without amendment, shall have been approved by the Newco Shareholder to the extent required by, and in accordance with, the Arrangement Provisions and the constating documents of Newco;
- (d) the Arrangement and this Agreement, with or without amendment, shall have been approved by the Firebird Warrantholders, the Firebird Optionholders and the Firebird Debentureholders, respectively, in accordance with this Agreement, the Interim Order and the requirements of any applicable regulatory authorities;
- (e) the Final Order shall have been obtained in form and substance satisfactory to Firebird and Newco;

- (f) the Exchange shall have conditionally approved the Arrangement, including the listing of the Firebird Class A Shares in substitution for the Firebird Shares, the delisting of the Firebird Class A Shares, the listing of the New Shares and the Firebird Class B Preferred Shares, the delisting of the Firebird Class B Preferred Shares upon their redemption and the listing of the Newco Shares, as of the Effective Date, subject to compliance with the requirements of the Exchange;
- (g) all other consents, orders, regulations and approvals, including regulatory and judicial approvals and orders required or necessary or desirable for the completion of the transactions provided for in this Agreement and the Plan of Arrangement shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, each in form acceptable to Firebird and Newco;
- (h) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and the Arrangement; and
- (i) this Agreement shall not have been terminated under Article 6.

Except for the conditions set forth in this §5.1 which, by their nature, may not be waived, any of the other conditions in this §5.1 may be waived, either in whole or in part, by either Firebird or Newco, as the case may be, at its discretion.

5.2 **Closing:** Unless this Agreement is terminated earlier pursuant to the provisions hereof, the parties shall meet at the offices of Sangra Moller LLP, Suite 1000, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2, at such time as determined by the parties on the Effective Date, or on such other date as they may mutually agree, and each of them shall deliver to the other of them:

- (a) the documents required to be delivered by it hereunder to complete the transactions contemplated hereby, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the occurrence of the Effective Date; and
- (b) written confirmation as to the satisfaction or waiver by it of the conditions in its favour contained in this Agreement.

5.3 **Merger of Conditions:** The conditions set out in §5.1 hereof shall be conclusively deemed to have been satisfied, waived or released upon the occurrence of the Effective Date.

5.4 **Merger of Representations and Warranties:** The representations and warranties in §3.1 shall be conclusively deemed to be correct as of the Effective Date and each shall accordingly merge in and not survive the effectiveness of the Arrangement.

ARTICLE 6 AMENDMENT AND TERMINATION

6.1 **Amendment:** Subject to any restrictions under the Arrangement Provisions or the Final Order, this Agreement, including the Plan of Arrangement, may at any time and from time to time before or after the holding of the Firebird Meeting, but prior to the Effective Date, be amended by agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of the Firebird Shareholders.

6.2 **Termination:** Subject to §6.3, this Agreement may at any time before or after the holding of the Firebird Meeting, and before or after the granting of the Final Order, but in each case prior to the Effective Date, be terminated by direction of the board of directors of Firebird without further action on the part of the Firebird Shareholders, or by the board of directors of Newco without further action on the part of the Newco Shareholders, and nothing expressed or implied herein or in the Plan of Arrangement shall be construed as fettering the absolute discretion by the board of directors of Firebird or Newco, respectively, to elect to terminate this Agreement and discontinue efforts to effect the Arrangement for whatever reasons it may consider appropriate.

6.3 **Cessation of Right:** The right of Firebird or Newco or any other party to amend or terminate the Plan of Arrangement pursuant to §6.1 and §6.2 shall be extinguished upon the occurrence of the Effective Date.

ARTICLE 7 GENERAL

7.1 **Notices:** All notices which may or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be delivered or telecopied, addressed as follows:

in the case of Firebird:

Firebird Resources Inc.
Suite 2500, 555 West Hastings Street
Vancouver, British Columbia V4K 5A3

Attention: John Cook, Chief Executive Officer
Facsimile: (780) 440-1377

in the case of Newco:

GTO Resources Inc.
Suite 2500, 555 West Hastings Street
Vancouver, British Columbia V4K 5A3

Attention: Thomas R. Tough, Chief Executive Officer
Facsimile: (780) 440-1377

and, in each case, with a copy to:

Sangra Moller LLP
Suite 1000 – 925 West Georgia Street
Vancouver, British Columbia
V6C 3L2

Attention: Gary S. Gill
Facsimile: (604) 669-8803

7.2 **Assignment:** None of the parties may assign its rights or obligations under this Agreement or the Arrangement without the prior consent of the other party.

7.3 **Binding Effect:** This Agreement and the Arrangement shall be binding upon and shall enure to the benefit of the parties and their respective successors and permitted assigns.

7.4 **Waiver:** Any waiver or release of the provisions of this Agreement, to be effective, must be in writing and executed by the party granting such waiver or release.

7.5 **Governing Law:** This Agreement shall be governed by and be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as a British Columbia contract.

7.6 **Counterparts:** This Agreement may be executed in one or more counterparts and by facsimile or email transmission, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement.

7.7 **Expenses:** All expenses incurred by a party in connection with this Agreement, the Arrangement and the transactions contemplated hereby and thereby shall be borne by the party that incurred the expense.

7.8 **Entire Agreement:** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties.

7.9 **Time of Essence:** Time is of the essence of this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

FIREBIRD RESOURCES INC.

Per: /s/Thomas R. Tough
Authorized Signatory

GTO RESOURCES INC.

Per: /s/Kenneth Ralfs
Authorized Signatory

EXHIBIT I

DESCRIPTION OF THE ASSETS

THE ROBERTS CREELMAN URANIUM PROPERTY

The following are the mineral claims comprising the Roberts Creelman Uranium Property:

Township or Areas	Claim Number	Claim Recording Date	Claim Due Date	Status	No. of Units
Creelman	3014453	Feb 3, 2005	Aug 3, 2011	Active	8
Creelman	3016125	Dec 23, 2004	Jun 23, 2011	Active	10
Roberts	3014452	Feb 3, 2005	Feb 3, 2012	Active	16
TOTALS	3 Claims				

The RCU Property claim block forms an irregular block about 4 kilometres long east-west and 2 kilometres wide north-south with all of the claims held in the name of Firebird Resources Inc. Under the *Ontario Mining Act*, the staking of a mining claim does not confer title, it only gives the claim holder certain rights to enter onto the land and carry out exploration and other activities subject to certain conditions as specified in the *Ontario Mining Act*. To maintain a mining claim in Ontario in good standing an exploration expenditure of \$400 per unit is required on or before 2 years from the date of recording and in each subsequent year.

THE HYMAN PORTER URANIUM PROPERTY

The following are the mineral claims comprising the HPU Property, which is situated in the Sudbury Mining Division of Ontario:

Township or Areas	Claim Number	Claim Recording Date	Claim Due Date	Status	No. of Units
Hyman	3016027	Dec 23, 2004	Jun 23, 2011	Active	16
Hyman	3016128	Dec 23, 2004	Jun 23, 2011	Active	16
Porter	4203204	Feb 3, 2005	Aug 3, 2011	Active	8
Porter	4203205	Feb 3, 2005	Aug 3, 2011	Active	15
Porter	4203206	Feb 3, 2005	Aug 3, 2011	Active	15
TOTALS	5 Claims				70

EXHIBIT II

TO THE ARRANGEMENT AGREEMENT DATED AS OF THE 12TH DAY OF MAY, 2011 BETWEEN FIREBIRD RESOURCES INC. AND GTO RESOURCES INC.

PLAN OF ARRANGEMENT

UNDER DIVISION 5 OF PART 9 OF *THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)* S.B.C. 2002, c.57

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 **Definitions:** In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in this Plan of Arrangement;
- (b) "**Arrangement Agreement**" means the arrangement agreement dated as of May 12, 2011, between Firebird and Newco to which this Exhibit is attached, and any amendment(s) or variation(s) thereto;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 – *Arrangements* of the BCBCA;
- (d) "**Assets**" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;
- (e) "**BCBCA**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) "**Company**" means Firebird Resources Inc., a company existing under the BCBCA;
- (h) "**Court**" means the Supreme Court of the British Columbia;
- (i) "**Depositary**" means Sangra Moller LLP, solicitors for Firebird and Newco;
- (j) "**Dissent Procedures**" means the procedures set forth in Division 2 of Part 8 of the BCBCA required to be taken by a registered holder of Firebird Shares to exercise the Dissent Rights in respect of such Firebird Shares in connection with the Arrangement, as modified by Article 5, the Interim Order, the Final Order and any further order(s) of the Court;
- (k) "**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in Article 5 of this Plan of Arrangement;
- (l) "**Distributed Newco Shares**" means that number of Newco Shares which is equal to the total number of Firebird Shares issued and outstanding as at the Effective Time on the Effective Date, less 9,056,603, multiplied by the Exchange Factor, which Newco Shares are to be distributed to the Firebird Shareholders pursuant to §3.1(a) of this Plan of Arrangement;

;

- (m) "**Effective Date**" means the date upon the Arrangement becomes effective;
- (n) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;
- (o) "**Exchange Factor**" means 0.5;
- (p) "**Final Order**" means the final order of the Court approving the Arrangement;
- (q) "**Firebird**" means Firebird Resources Inc., a company existing under the BCBCA;
- (r) "**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares as described in §3.1(b)(i) of this Plan of Arrangement;
- (s) "**Firebird Class B Preferred Shares**" means the Class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of this Plan of Arrangement;
- (t) "**Firebird Meeting**" means the annual general and special meeting of the Firebird Shareholders to be held by the Company in connection with the Arrangement, and any adjournment(s) or postponement(s) thereof to consider, among other things, and if deemed advisable approve, the Arrangement;
- (u) "**Firebird Optionholder**" means a holder of Firebird Options;
- (v) "**Firebird Option Plan**" means the stock option plan of the Company;
- (w) "**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;
- (x) "**Firebird Shareholder**" means the holders of Firebird Shares;
- (y) "**Firebird Shares**" means the common shares without par value in the authorized share structure of Firebird, as constituted on the date of the Arrangement Agreement;
- (z) "**Firebird Warrantholders**" means a holder of Firebird Warrants;
- (aa) "**Firebird Warrants**" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;
- (bb) "**HPU Property**" means the Hyman Porter Uranium Property, comprised of 70 claims totaling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (cc) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Firebird Meeting and the Arrangement;
- (dd) "**New Firebird Warrants**" mean the common share purchase warrants of Firebird to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;

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- (ee) "**New Shares**" means the new class of common shares without par value which the Firebird will create pursuant to §3.1(b)(ii) of this Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Firebird Shares;
- (ff) "**Newco**" means GTO Resources Inc., a company incorporated under the BCBCA;
- (gg) "**Newco Shareholder**" means a holder of Newco Shares;
- (hh) "**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date of the Arrangement Agreement;
- (ii) "**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (jj) "**Option Agreement**" means the mining option agreement, with respect to the Buzzard-Jefferson and Belk Properties, between the Optioner thereunder and Firebird dated June 24, 2010, as amended;
- (kk) "**Optioner**" means the optioner under the Option Agreement;
- (ll) "**Optioner Shares**" means the 9,056,603 Firebird Shares held by the Optioner;
- (mm) "**Plan of Arrangement**" means this Plan of Arrangement, as may be amended or restated from time to time;
- (nn) "**RCU Property**" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (oo) "**Registrar**" means the Registrar of Companies under the BCBCA;
- (pp) "**Tax Act**" means the *Income Tax Act* (Canada), as amended; and
- (qq) "**Transfer Agent**" means Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

1.2 **Interpretation Not Affected by Headings:** The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender:** Unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter, and words importing a person shall include a partnership or corporation.

1.4 **Meaning:** Undefined words and phrases used herein that are defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

**ARTICLE 2
ARRANGEMENT AGREEMENT**

2.1 **Arrangement Agreement**: This Plan of Arrangement is made pursuant and subject to the Arrangement Agreement.

**ARTICLE 3
THE ARRANGEMENT**

3.1 **The Arrangement**: At the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality, notwithstanding anything contained in the provisions attaching to any of the securities of Firebird or Newco, but subject to the provisions of Article 5:

- (a) the Company will transfer the Assets to Newco in consideration for the Distributed Newco Shares and the Company will be added to the central securities register of Newco in respect of such Newco Shares;
- (b) the authorized share capital of the Company will be changed by:
 - (i) altering the identifying name of the Firebird Shares to class A common shares without par value, being the Firebird Class A Shares,
 - (ii) creating a class consisting of an unlimited number of common shares without par value, being the New Shares, and
 - (iii) creating a class consisting of an unlimited number of class B preferred shares without par value, having the rights and restrictions described in Exhibit III to the Arrangement Agreement, being the Firebird Class B Preferred Shares;
- (c) each issued Firebird Class A Share, (other than the Optioner Shares) will be exchanged for one New Share and one Firebird Class B Preferred Share and, subject to the exercise of a right of dissent, the holders of the Firebird Class A Shares (other than the Optioner) will be removed from the central securities register of the Company and will be added to that central securities register as the holders of the number of New Shares and Firebird Class B Preferred Shares that they have received on the exchange;
- (d) each issued Optioner Share will be exchanged for one New Share and the Optioner will be removed from the central securities register of the Company and will be added to that central securities register as the holder of the number of New Shares that it has received on the exchange;
- (e) all of the issued Firebird Class A Shares will be cancelled with the appropriate entries being made in the central securities register of the Company, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Firebird Class A Shares immediately prior to the Effective Date will be allocated between the New Shares and the Firebird Class B Preferred Shares so that the aggregate paid-up capital of the Firebird Class B Preferred Shares is equal to the aggregate fair market value of the Distributed Newco Shares as of the Effective Date, and each Firebird Class B Preferred Share so issued will be issued by the Company at an issue price equal to such aggregate fair market value divided by the number of issued Firebird Class B Preferred Shares, such aggregate fair market value of the Distributed Newco Shares to be determined as at the Effective Date by the board of directors of the Company;
- (f) the Company will redeem the issued Firebird Class B Preferred Shares for consideration consisting solely of the Distributed Newco Shares such that each holder of Firebird Class B Preferred Shares will, subject to the rounding of fractions and the exercise of rights of dissent, receive that number of Newco Shares that is equal to the number of Firebird Class B Preferred Shares held by such holder multiplied by the Exchange Factor;

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- (g) the name of each holder of Firebird Class B Preferred Shares will be removed as such from the central securities register of the Company, and all of the issued Firebird Class B Preferred Shares will be cancelled with the appropriate entries being made in the central securities register of the Company;
- (h) the Distributed Newco Shares transferred to the holders of the Firebird Class B Preferred Shares pursuant to step §(f) above will be registered in the names of the former holders of Firebird Class B Preferred Shares and appropriate entries will be made in the central securities register of Newco;
- (i) the Firebird Class A Shares and the Firebird Class B Preferred Shares, none of which will be allotted or issued once the steps referred to in steps §(c) to §(g) above are completed, will be cancelled and the authorized share structure of the Company will be changed by eliminating the Firebird Class A Shares and the Firebird Class B Preferred Shares therefrom; and
- (j) each Firebird Warrant held by a Firebird Warrantholder will be exchanged for one (1) New Firebird Warrant and one-half of one (1) Newco Warrant and the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever.

3.2 **No Fractional Shares or Warrants:** Notwithstanding §3.1, no fractional Newco Shares or Newco Warrants shall be distributed to the Firebird Shareholders or Firebird Warrantholders, as the case may be, and as a result all fractional amounts arising under such sections shall be rounded down to the next whole number. Any Distributed Newco Shares or Newco Warrants not distributed as a result of this rounding down shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

3.3 **Deemed Time for Redemption:** In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the redemption of the Firebird Class B Preferred Shares set out in §3.1(f) shall occur and shall be deemed to occur immediately after the time of listing of the Firebird Class B Preferred Shares on the TSX Venture Exchange on the Effective Date.

3.4 **Deemed Fully Paid and Non-Assessable Shares:** All New Shares, Firebird Class B Preferred Shares and Newco Shares issued pursuant to this Plan of Arrangement shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.5 **Arrangement Effectiveness:** The Arrangement shall become final and conclusively binding on the Firebird Shareholders, the Newco Shareholders, Firebird and Newco at the Effective Time on the Effective Date.

3.6 **Supplementary Actions:** Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Firebird and Newco shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefore, and any necessary additions to or deletions from share registers.

ARTICLE 4 CERTIFICATES

4.1 **Firebird Class A Shares:** Recognizing that the Firebird Shares shall be renamed and redesignated as Firebird Class A Shares pursuant to §3.1(b)(i) and that the Firebird Class A Shares shall be exchanged partially for New Shares pursuant to §3.1(c), Firebird shall not issue replacement share certificates representing the Firebird Class A Shares.

4.2 **Firebird's Newco Shares:** Recognizing that the Distributed Newco Shares shall be transferred to the Firebird Shareholders as consideration for the redemption of the Firebird Class B Preferred Shares pursuant to §3.1(f), Newco shall issue one share certificate representing all of the Distributed Newco Shares registered in the name of Firebird, which share certificate shall be held by the Depositary until the Distributed Newco Shares are transferred to the Firebird Shareholders and such certificate shall then be cancelled by the Depositary. To facilitate the transfer of the Distributed Newco Shares to the Firebird Shareholders as of the Effective Date, Firebird shall

execute and deliver to the Depository and the Transfer Agent an irrevocable power of attorney authorizing them to distribute and transfer the Distributed Newco Shares to such Firebird Shareholders in accordance with the terms of this Plan of Arrangement and Newco shall deliver a treasury order or such other direction to effect such issuance to the Transfer Agent as requested by it.

4.3 **Firebird Class B Preferred Shares:** Recognizing that all of the Firebird Class B Preferred Shares issued to the Firebird Shareholders pursuant to §3.1(c) will be redeemed by Firebird as consideration for the distribution and transfer of the Distributed Newco Shares under §3.1(f), Firebird shall issue one share certificate representing all of the Firebird Class B Preferred Shares issued pursuant to §3.1(f) in the name of the Depository, to be held by the Depository for the benefit of the Firebird Shareholders until such Firebird Class B Preferred Shares are redeemed, and such certificate shall then be cancelled.

4.4 **Delivery of Newco Share Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered holders of Firebird Shares as at the Effective Time, share certificates representing the Newco Shares to which they are entitled pursuant to this Plan of Arrangement and shall cause such share certificates to be mailed to such registered holders.

4.5 **Delivery of the Newco Warrant Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered Firebird Warrantholders as at the Effective Time, warrant certificates representing the Newco Warrants to which they are entitled pursuant to this Plan of Arrangement and shall cause such warrant certificates to be mailed to such registered holders.

4.6 **New Share Certificates:** From and after the Effective Date, share certificates representing Firebird Shares immediately before the Effective Date, except for those deemed to have been cancelled pursuant to Article 5, shall for all purposes be deemed to be share certificates representing New Shares, and no new share certificates shall be issued with respect to the New Shares issued in connection with the Arrangement.

4.7 **New Firebird Warrant Certificates:** From and after the Effective Date, certificates representing Firebird Warrants immediately before the Effective Date shall for all purposes be deemed to represent New Firebird Warrants, and no new certificates shall be issued with respect to the New Firebird Warrants issued in connection with the Arrangement.

ARTICLE 5 RIGHTS OF DISSENT

5.1 **Dissent Right:** Notwithstanding §3.1 hereof, holders of Firebird Shares (other than the Vendor) may exercise Dissent Rights in connection with the Arrangement pursuant to the Interim Order and in accordance with the Dissent Procedures.

5.2 **Dealing with Dissenting Shares:** Registered holders of Firebird Shares (other than the Vendor) may exercise Dissent Procedures with respect to Firebird Shares in connection with the Arrangement, provided that, notwithstanding the Dissent Procedures, the written objection to the special resolution to approve the Arrangement contemplated by Section 242 of the BCBCA must be sent to Firebird by holders who wish to dissent at least two days before the Firebird Meeting or any date to which the Firebird Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Firebird Shares, which fair value shall be the fair value of such shares on the close of business on the Business Day before the date of the Firebird Meeting, shall be paid an amount equal to such fair value by Newco and shall be deemed to have transferred their Firebird Shares, free of all liens, to Firebird for cancellation immediately before the Effective Date; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Firebird Shares shall be deemed to have participated in the Arrangement, as of the Effective Date, on the same basis as a non-dissenting Firebird Shareholder and shall be entitled to receive only the consideration contemplated in Article 3 that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Procedures,

EXHIBIT II - 7

but further provided that in no case shall Firebird, Newco or any other person be required to recognize holders of Firebird Shares who exercise Dissent Procedures as holders of Firebird Shares after the time that is immediately prior to the Effective Date, and the names of such holders of Firebird Shares who exercise Dissent Procedures shall be deleted from the central securities register as holders of Firebird Shares at the Effective Date.

5.3 **Reservation of Newco Shares:** If a Firebird Shareholder exercises the Dissent Right, Firebird shall on the Effective Date set aside and not distribute that portion of the Distributed Newco Shares that is attributable to the Firebird Shares for which the Dissent Right has been exercised. If the dissenting Firebird Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Firebird shall distribute to such Firebird Shareholder such number of Newco Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor . If a Firebird Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Firebird shall retain the portion of the Distributed Newco Shares attributable to such Firebird Shareholder (the "**Non-Distributed Newco Shares**"), and the Non-Distributed Newco Shares shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

ARTICLE 6 REFERENCE DATE

6.1 **Reference Date:** This plan of arrangement is dated for reference the 12th day of May, 2011.

EXHIBIT III

SPECIAL RIGHTS AND RESTRICTIONS FOR FIREBIRD CLASS B PREFERRED SHARES

The class B preferred shares as a class shall have attached to them the following special rights and restrictions:

Definitions

- (1) In these Special Rights and Restrictions,
 - (a) "**Arrangement**" means the arrangement pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57 as contemplated by the Arrangement Agreement;
 - (b) "**Arrangement Agreement**" means the Arrangement Agreement dated as of May 12, 2011, between the Company and Newco;
 - (c) "**Company**" means Firebird Resources Inc.;
 - (d) "**Effective Date**" means the date upon which the Arrangement becomes effective;
 - (e) "**New Shares**" means the common shares without par value created in the authorized share structure of the Company pursuant to the Plan of Arrangement;
 - (f) "**Newco**" means GTO Resources Inc., a company incorporated under the *Business Corporations Act* (British Columbia) S.B.C. 2002, c.57;
 - (g) "**Old Common Shares**" means the common shares in the authorized share structure of the Company that have been re-designated as class A common shares without par value pursuant to the Plan of Arrangement; and
 - (h) "**Plan of Arrangement**" means the Plan of Arrangement attached as Exhibit II to the Arrangement Agreement.
- (2) The holders of the class B preferred shares are not as such entitled to receive notice of, nor to attend or vote at, any general meeting of the shareholders of the Company.
- (3) Class B preferred shares shall only be issued on the exchange of Old Common Shares for New Shares and class B preferred shares pursuant to and in accordance with the Plan of Arrangement.
- (4) The capital to be allocated to the class B preferred shares shall be the amount determined in accordance with §3.1(e) of the Plan of Arrangement.
- (5) The class B preferred shares shall be redeemable by the Company pursuant to and in accordance with the Plan of Arrangement.
- (6) Any class B preferred share that is or is deemed to be redeemed pursuant to and in accordance with the Plan of Arrangement shall be cancelled and may not be reissued.

SCHEDULE "C"

INTERIM ORDER

(Please see attached.)

2. At the Meeting, Firebird Shareholders will, *inter alia*, consider, and if deemed advisable, approve, with or without variation, a special resolution (the "**Arrangement Resolution**") adopting, with or without amendment, the arrangement (the "**Arrangement**") involving Firebird, GTO Resources Inc., the Firebird Shareholders and other Firebird Securityholders (as defined in the Petition, as amended, filed herein) as particularly set forth in the plan of arrangement a copy of which is annexed as Schedule "A" to this Order (the "**Plan of Arrangement**").
3. The Meeting will be called, held and conducted in accordance with the Notice of Meeting to be delivered to Firebird Shareholders in substantially the form attached to and forming part of the Management Information Circular (the "**Circular**") attached as Exhibit "C" to the Affidavit #1 of Thomas R. Tough sworn May 12, 2011 (the "Affidavit") and filed herein, and in accordance with applicable provisions of the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57 as amended (the "**Act**"), the Articles of Firebird, the *Securities Act* (British Columbia), R.S.B.C. 1996, c. 418, as amended (the "**Securities Act**"), and related rules and policies, the terms of this Order (the "**Interim Order**") and any further Order of this Court, the rulings and directions of the Chairman of the Meeting, and, to the extent of any inconsistency or discrepancy between the Interim Order and the terms of any of the foregoing, the Interim Order will govern.

RECORD DATE FOR NOTICE

4. The record date for determination of the Firebird Shareholders entitled to receive the notice of Meeting, the Circular and a form of proxy (the "**Meeting Materials**") will be 5:00 p.m. (Vancouver time) on April 26, 2011 (the "**Record Date**") or such other date as the directors of Firebird may determine in accordance with the Articles of Firebird, the Act and the Securities Act, and disclosed in the Meeting Materials.

NOTICE OF MEETING

5. The Meeting Materials, with such amendments or additional documents as counsel for Firebird may advise are necessary or desirable, and that are not inconsistent with the terms of this Interim Order, and a copy of this Interim Order and the Notice of Hearing, will be sent at least twenty-one (21) days prior to the date of the Meeting, to: (a) Firebird Shareholders who are registered shareholders on the Record Date and to brokerage intermediaries on behalf of beneficial Firebird Shareholders where applicable, by prepaid ordinary mail addressed to each registered Firebird Shareholder at his or her

address as maintained by the registrar and transfer agent of Firebird or delivery of same by courier service or by facsimile transmission or e-mail transmission to any such Firebird Shareholder who identifies himself or herself to the satisfaction of Firebird and who requests such courier, facsimile or e-mail transmission; and (b) the directors and auditors of Firebird by prepaid ordinary mail or facsimile or e-mail transmission.

6. The Notice of Hearing and the Circular, in substantially the same form as contained in Exhibits "C" to the Affidavit, respectively, with such deletions amendments or additions thereto as counsel for Firebird may advise are necessary or desirable, provided that such amendments are not inconsistent with this Interim Order, shall be sent to Firebird Securityholders, other than Firebird Shareholders, in accordance with the methods of delivery set out at paragraph 5 of this Interim Order not later than 21 days prior to the date of the Meeting and that such mailing, delivery and distribution shall constitute good and sufficient notice of Firebird's application for the Final Order (as hereinafter defined).
7. The accidental failure or omission by Firebird to give notice of the Meeting or the Petition, as amended, to, or the non-receipt of such notice by, any person in accordance with this Interim Order, as a result of mistake or of events beyond the reasonable control of Firebird (including, without limitation, any inability to utilize postal services) shall not constitute a breach of this Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceedings taken at the Meeting, but if any such accidental failure or omission is brought to the attention of Firebird, then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances. Such rectified notice shall be deemed to be good and sufficient notice of the Meeting and/or the Petition, as amended, as the case may be.
8. The distribution of the Meeting Materials pursuant to paragraph 5 of this Interim Order shall constitute good and sufficient notice of the Meeting for all purposes to registered and non-registered Firebird Shareholders, to the directors of Firebird and to the auditors of Firebird.
9. Firebird is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials ("**Additional Information**") in accordance with the terms of the Arrangement, as Firebird may determine to be necessary or desirable and notice of such Additional Information may be communicated to Firebird Shareholders by press release, newspaper advertisement or one of the methods by which the Meeting Materials will be distributed.

DEEMED RECEIPT OF MEETING MATERIALS

10. The Meeting Materials will be deemed, for the purposes of this Interim Order, to have been received by the Firebird Shareholders:

- a. in the case of mailing to registered Firebird Shareholders or, in the case of delivery by courier of materials to brokerage intermediaries, five days after delivery thereof to the post office or acceptance by the courier service, respectively; and
- b. in the case of delivery by courier, facsimile transmission or e-mail transmission directly to a registered Firebird Shareholder, the business day after such delivery or transmission of same,

whether they reside within the jurisdiction of British Columbia or another jurisdiction.

11. Subject to other provisions of this Interim Order, no other form of service or delivery of the Meeting Materials or any portion thereof need be made, or notice given, or other material served in respect of the Meeting to any persons described in paragraph 5 of this Interim Order or to any other persons.

PERMITTED ATTENDEES

12. The persons entitled to attend the Meeting will be Firebird Shareholders of record as of 5:00 p.m. (Vancouver time) on the Record Date, their respective proxies, the officers, directors and advisors of Firebird and such other persons who receive the consent of the Chairman of the Meeting to attend.

VOTING AT THE MEETING

13. The only persons permitted to vote at the Meeting will be the registered Firebird Shareholders as of 5:00 p.m. (Vancouver time) on the Record Date or their valid proxy holders as described in the Circular and as determined by the Chairman of the Meeting upon consultation with the Scrutineer (as hereinafter defined) and legal counsel to Firebird.

14. The requisite approval of the Arrangement Resolution will be 66 2/3% of the votes cast on the resolution by the Firebird Shareholders present in person or by proxy at the Meeting, voting together as a single class. Each common share of Firebird voted will carry one vote.

15. A quorum for the Meeting will be the quorum required by the Articles of Firebird.

16. In all other respects, the terms, restrictions and conditions of the constating documents of Firebird will apply in respect of the Meeting.
17. For the purposes of the Meeting, any spoiled votes, illegible votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

ADJOURNMENT OF MEETING

18. Notwithstanding any provision of the Act or the Articles of Firebird, the board of directors of Firebird, by resolution, shall be entitled if it deems advisable, to adjourn or postpone the Meeting on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Firebird Shareholders respecting the adjournment or postponement and without the need for approval of the Court.
19. The Record Date for Firebird Shareholders entitled to notice of and to vote at the Meeting will not change in respect of adjournment(s) or postponement(s) of the Meeting.

AMENDMENTS

20. Firebird's board of directors is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine, provided it has obtained any required consents, and the Plan of Arrangement as so amended, revised or supplemented will be the Plan of Arrangement which is submitted to the Meeting and which will thereby become the subject of the Arrangement Resolution.

SCRUTINEER

21. A representative of Firebird's registrar and transfer agent (or any agent thereof) (the "**Scrutineer**"), will be authorized to act as scrutineer for the Meeting.

PROXY SOLICITATION

22. Firebird is authorized to permit the Firebird Shareholders to vote by proxy using the form of proxy, in substantially the same form as contained at Exhibit "C" to the Affidavit. Firebird is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through

such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communications as it may determine.

23. Firebird may in its discretion waive the time limits for deposit of proxies by Firebird Shareholders if Firebird deems it reasonable to do so.

DISSENT RIGHTS

24. The Firebird Shareholders will, as set out in the Plan of Arrangement, be permitted to dissent from the Arrangement Resolution in accordance with the dissent procedures set forth in Division 2 of Part 8 of the Act, strictly applied as modified by the Plan of Arrangement.

SERVICE OF COURT MATERIALS

25. Firebird will include in the Meeting Materials a copy of this Interim Order and the Notice of Hearing and will make available to any Firebird Shareholder requesting (in writing) same, a copy of each of the Petition herein, as amended, and the accompanying Affidavit (collectively, the "**Court Materials**"). ~~The service of the Petition, as amended, and Affidavit in support of the within proceedings to any Firebird Shareholder requesting same is hereby dispensed with.~~ *ewt*

26. Delivery of the Court Materials given in accordance with this Interim Order will constitute good, sufficient and timely service of these proceedings and the hearing of the application of the Final Order upon all persons who are entitled to receive the Court Materials pursuant to this Interim Order and no other form of service or notice need be made and no other material need be served on such persons in respect of these proceedings.

FINAL APPROVAL HEARING

27. Upon the approval by the Firebird Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Firebird may apply for an order of this Honourable Court approving the Plan of Arrangement (the "**Final Order**") and that the Petition, as amended, be set down for hearing before the presiding Judge in Chambers at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 9:45 a.m. on June 14, 2011 or such later date as the hearing of the Final Order can be heard or at such other date and time as this Court may direct.

28. Any Firebird Securityholder affected by the proposed Arrangement has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order provided that such securityholder shall file a Response to Petition, in the form prescribed by the *Rules of Court* of the Supreme Court of British Columbia, with this Court and deliver a copy of the filed Response to Petition together with a copy of all materials on which such Firebird Securityholder intends to rely at the application for the Final Order, including an outline of such securityholder's proposed submissions to the solicitors for the Petitioner at Sangra Moller LLP, Barristers & Solicitors, 1000 Cathedral Place, 925 West Georgia Street, Vancouver, B.C. V6C 3L2, Attention: R. Talaifar at or before 8:00 a.m. on June 10, 2011, subject to the direction of this Honourable Court.
29. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response to Petition, in accordance with the preceding paragraph of this Interim Order, need to be served with notice of the adjourned date.
30. Subject to other provisions in this Interim Order, no material other than that contained in the Circular need to be served on any persons in respect of these proceedings.
31. If the application for the Final Order is adjourned, only those persons who have filed and delivered an Response to Petition in accordance with this Order need be served and provided with notice of the adjourned date.
32. The provisions of Rule 16-1 and Rule 8-1 be hereby dispensed with for the purposes of any further application to be made pursuant to the Petition, as amended.

VARIANCE

33. Firebird is at liberty to apply to this Honourable Court to vary this Interim Order or for advice and direction with respect to the Plan of Arrangement or any of the matters related to this Interim Order and such further and other relief as this Honourable Court may consider just.
34. This Order be entered immediately upon the granting of the same.

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BY THE COURT

REGISTRAR

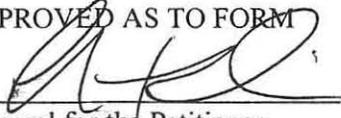
* SEE ATTACHED SIGNATURE

5113205

ATTACHED SIGNATURE

- 8 -

APPROVED AS TO FORM

A handwritten signature in black ink, consisting of stylized, overlapping loops and lines, positioned above a horizontal line.

Counsel for the Petitioner

- 9 -

SCHEDULE "A"

Arrangement Agreement

(See attached)

EXHIBIT II

**TO THE ARRANGEMENT AGREEMENT
DATED AS OF THE 12TH DAY OF MAY, 2011 BETWEEN
FIREBIRD RESOURCES INC.**

**AND
GTO RESOURCES INC.**

PLAN OF ARRANGEMENT

**UNDER DIVISION 5 OF PART 9 OF
THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)
S.B.C. 2002, c.57**

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1 **Definitions:** In this plan of arrangement, unless there is something in the subject matter or context inconsistent therewith, the following capitalized words and terms shall have the following meanings:

- (a) "**Arrangement**" means the arrangement pursuant to the Arrangement Provisions pursuant to which the Company proposes to reorganize its business and assets, and which is set out in detail in this Plan of Arrangement;
- (b) "**Arrangement Agreement**" means the arrangement agreement dated as of May 12, 2011, between Firebird and Newco to which this Exhibit is attached, and any amendment(s) or variation(s) thereto;
- (c) "**Arrangement Provisions**" means Division 5 of Part 9 – *Arrangements* of the BCBCA;
- (d) "**Assets**" means all of the Company's interest in and to each of the RCU Property and the HPU Property, which assets are being transferred to Newco under the Arrangement;
- (e) "**BCBCA**" means the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as may be amended or replaced from time to time;
- (f) "**Business Day**" means a day which is not a Saturday, Sunday or statutory holiday in Vancouver, British Columbia;
- (g) "**Company**" means Firebird Resources Inc., a company existing under the BCBCA;
- (h) "**Court**" means the Supreme Court of the British Columbia;
- (i) "**Depository**" means Sangra Moller LLP, solicitors for Firebird and Newco;
- (j) "**Dissent Procedures**" means the procedures set forth in Division 2 of Part 8 of the BCBCA required to be taken by a registered holder of Firebird Shares to exercise the Dissent Rights in respect of such Firebird Shares in connection with the Arrangement, as modified by Article 5, the Interim Order, the Final Order and any further order(s) of the Court;
- (k) "**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in Article 5 of this Plan of Arrangement;
- (l) "**Distributed Newco Shares**" means that number of Newco Shares which is equal to the total number of Firebird Shares issued and outstanding as at the Effective Time on the Effective Date, less 9,056,603, multiplied by the Exchange Factor, which Newco Shares are to be distributed to the Firebird Shareholders pursuant to §3.1(a) of this Plan of Arrangement;

EXHIBIT II - 2

- (m) "**Effective Date**" means the date upon the Arrangement becomes effective;
- (n) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date;
- (o) "**Exchange Factor**" means 0.5;
- (p) "**Final Order**" means the final order of the Court approving the Arrangement;
- (q) "**Firebird**" means Firebird Resources Inc., a company existing under the BCBCA;
- (r) "**Firebird Class A Shares**" means the renamed and redesignated Firebird Shares as described in §3.1(b)(i) of this Plan of Arrangement;
- (s) "**Firebird Class B Preferred Shares**" means the Class "B" preferred shares in the capital of Firebird without par value which will be created and issued pursuant to §3.1(b)(iii) of this Plan of Arrangement;
- (t) "**Firebird Meeting**" means the annual general and special meeting of the Firebird Shareholders to be held by the Company in connection with the Arrangement, and any adjournment(s) or postponement(s) thereof to consider, among other things, and if deemed advisable approve, the Arrangement;
- (u) "**Firebird Optionholder**" means a holder of Firebird Options;
- (v) "**Firebird Option Plan**" means the stock option plan of the Company;
- (w) "**Firebird Options**" means options to purchase Firebird Shares outstanding under the Firebird Option Plan;
- (x) "**Firebird Shareholder**" means the holders of Firebird Shares;
- (y) "**Firebird Shares**" means the common shares without par value in the authorized share structure of Firebird, as constituted on the date of the Arrangement Agreement;
- (z) "**Firebird Warrantholders**" means a holder of Firebird Warrants;
- (aa) "**Firebird Warrants**" means outstanding common share purchase warrants of the Company entitling the holder to acquire Firebird Shares, exercisable at a specified price per Firebird Share;
- (bb) "**HPU Property**" means the Hyman Porter Uranium Property, comprised of 70 claims totaling approximately 1120 hectares in the Hyman and Porter Townships, located approximately fifty (50) kilometers west of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (cc) "**Interim Order**" means the interim order of the Court providing advice and directions in connection with the Firebird Meeting and the Arrangement;
- (dd) "**New Firebird Warrants**" mean the common share purchase warrants of Firebird to be issued to Firebird Warrantholders as at the Effective Time in exchange for their existing Firebird Warrants, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;

EXHIBIT II - 3

- (ee) "**New Shares**" means the new class of common shares without par value which the Firebird will create pursuant to §3.1(b)(ii) of this Plan of Arrangement and which, immediately after the Effective Date, will be identical in every relevant respect to the Firebird Shares;
- (ff) "**Newco**" means GTO Resources Inc., a company incorporated under the BCBCA;
- (gg) "**Newco Shareholder**" means a holder of Newco Shares;
- (hh) "**Newco Shares**" means the class A voting common shares without par value in the authorized share structure of Newco as constituted on the date of the Arrangement Agreement;
- (ii) "**Newco Warrants**" mean common share purchase warrants of Newco to be issued to Firebird Warranholders as at the Effective Time in exchange for their existing Firebird Warrants held, as described in §3.1(j) of this Plan of Arrangement, all of which shall: (i) have an exercise price equal to the existing exercise price of the Firebird Warrant being exchanged; and (ii) have a term equal to the term remaining on the Firebird Warrants being exchanged;
- (jj) "**Option Agreement**" means the mining option agreement, with respect to the Buzzard-Jefferson and Belk Properties, between the Optioner thereunder and Firebird dated June 24, 2010, as amended;
- (kk) "**Optioner**" means the optioner under the Option Agreement;
- (ll) "**Optioner Shares**" means the 9,056,603 Firebird Shares held by the Optioner;
- (mm) "**Plan of Arrangement**" means this Plan of Arrangement, as may be amended or restated from time to time;
- (nn) "**RCU Property**" means the Roberts Creelman Uranium Property, an early stage exploration project consisting of three contiguous unpatented, unleased mining claims comprised of 34 claim units covering approximately 544 hectares in the Roberts and Creelman Townships, located approximately fifty (50) kilometers north of Sudbury, Ontario, as further described in Exhibit I attached to the Arrangement Agreement;
- (oo) "**Registrar**" means the Registrar of Companies under the BCBCA;
- (pp) "**Tax Act**" means the *Income Tax Act* (Canada), as amended; and
- (qq) "**Transfer Agent**" means Computershare Investor Services Inc. at its principal office in Vancouver, British Columbia.

1.2 **Interpretation Not Affected by Headings:** The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. Unless otherwise specifically indicated, the terms "this Plan of Arrangement", "hereof", "hereunder" and similar expressions refer to this Plan of Arrangement as a whole and not to any particular article, section, subsection, paragraph or subparagraph and include any agreement or instrument supplementary or ancillary hereto.

1.3 **Number and Gender:** Unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter, and words importing a person shall include a partnership or corporation.

1.4 **Meaning:** Undefined words and phrases used herein that are defined in the BCBCA shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

**ARTICLE 2
ARRANGEMENT AGREEMENT**

2.1 **Arrangement Agreement:** This Plan of Arrangement is made pursuant and subject to the Arrangement Agreement.

**ARTICLE 3
THE ARRANGEMENT**

3.1 **The Arrangement:** At the Effective Time, the following shall occur and be deemed to occur in the following chronological order without further act or formality, notwithstanding anything contained in the provisions attaching to any of the securities of Firebird or Newco, but subject to the provisions of Article 5:

- (a) the Company will transfer the Assets to Newco in consideration for the Distributed Newco Shares and the Company will be added to the central securities register of Newco in respect of such Newco Shares;
- (b) the authorized share capital of the Company will be changed by:
 - (i) altering the identifying name of the Firebird Shares to class A common shares without par value, being the Firebird Class A Shares,
 - (ii) creating a class consisting of an unlimited number of common shares without par value, being the New Shares, and
 - (iii) creating a class consisting of an unlimited number of class B preferred shares without par value, having the rights and restrictions described in Exhibit III to the Arrangement Agreement, being the Firebird Class B Preferred Shares;
- (c) each issued Firebird Class A Share, (other than the Optioner Shares) will be exchanged for one New Share and one Firebird Class B Preferred Share and, subject to the exercise of a right of dissent, the holders of the Firebird Class A Shares (other than the Optioner) will be removed from the central securities register of the Company and will be added to that central securities register as the holders of the number of New Shares and Firebird Class B Preferred Shares that they have received on the exchange;
- (d) each issued Optioner Share will be exchanged for one New Share and the Optioner will be removed from the central securities register of the Company and will be added to that central securities register as the holder of the number of New Shares that it has received on the exchange;
- (e) all of the issued Firebird Class A Shares will be cancelled with the appropriate entries being made in the central securities register of the Company, and the aggregate paid-up capital (as that term is used for purposes of the Tax Act) of the Firebird Class A Shares immediately prior to the Effective Date will be allocated between the New Shares and the Firebird Class B Preferred Shares so that the aggregate paid-up capital of the Firebird Class B Preferred Shares is equal to the aggregate fair market value of the Distributed Newco Shares as of the Effective Date, and each Firebird Class B Preferred Share so issued will be issued by the Company at an issue price equal to such aggregate fair market value divided by the number of issued Firebird Class B Preferred Shares, such aggregate fair market value of the Distributed Newco Shares to be determined as at the Effective Date by the board of directors of the Company;
- (f) the Company will redeem the issued Firebird Class B Preferred Shares for consideration consisting solely of the Distributed Newco Shares such that each holder of Firebird Class B Preferred Shares will, subject to the rounding of fractions and the exercise of rights of dissent, receive that number of Newco Shares that is equal to the number of Firebird Class B Preferred Shares held by such holder multiplied by the Exchange Factor;

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- (g) the name of each holder of Firebird Class B Preferred Shares will be removed as such from the central securities register of the Company, and all of the issued Firebird Class B Preferred Shares will be cancelled with the appropriate entries being made in the central securities register of the Company;
- (h) the Distributed Newco Shares transferred to the holders of the Firebird Class B Preferred Shares pursuant to step §(f) above will be registered in the names of the former holders of Firebird Class B Preferred Shares and appropriate entries will be made in the central securities register of Newco;
- (i) the Firebird Class A Shares and the Firebird Class B Preferred Shares, none of which will be allotted or issued once the steps referred to in steps §(c) to §(g) above are completed, will be cancelled and the authorized share structure of the Company will be changed by eliminating the Firebird Class A Shares and the Firebird Class B Preferred Shares therefrom; and
- (j) each Firebird Warrant held by a Firebird Warrantholder will be exchanged for one (1) New Firebird Warrant and one-half of one (1) Newco Warrant and the Firebird Warrants shall be cancelled and terminated and cease to represent any right or claim whatsoever.

3.2 **No Fractional Shares or Warrants:** Notwithstanding §3.1, no fractional Newco Shares or Newco Warrants shall be distributed to the Firebird Shareholders or Firebird Warrantholders, as the case may be, and as a result all fractional amounts arising under such sections shall be rounded down to the next whole number. Any Distributed Newco Shares or Newco Warrants not distributed as a result of this rounding down shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

3.3 **Deemed Time for Redemption:** In addition to the chronological order in which the transactions and events set out in §3.1 shall occur and shall be deemed to occur, the time on the Effective Date for the redemption of the Firebird Class B Preferred Shares set out in §3.1(f) shall occur and shall be deemed to occur immediately after the time of listing of the Firebird Class B Preferred Shares on the TSX Venture Exchange on the Effective Date.

3.4 **Deemed Fully Paid and Non-Assessable Shares:** All New Shares, Firebird Class B Preferred Shares and Newco Shares issued pursuant to this Plan of Arrangement shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the BCBCA.

3.5 **Arrangement Effectiveness:** The Arrangement shall become final and conclusively binding on the Firebird Shareholders, the Newco Shareholders, Firebird and Newco at the Effective Time on the Effective Date.

3.6 **Supplementary Actions:** Notwithstanding that the transactions and events set out in §3.1 shall occur and shall be deemed to occur in the chronological order therein set out without any act or formality, each of Firebird and Newco shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to give effect to, or further document or evidence, any of the transactions or events set out in §3.1, including, without limitation, any resolutions of directors authorizing the issue, transfer or redemption of shares, any share transfer powers evidencing the transfer of shares and any receipt therefore, and any necessary additions to or deletions from share registers.

**ARTICLE 4
CERTIFICATES**

4.1 **Firebird Class A Shares:** Recognizing that the Firebird Shares shall be renamed and redesignated as Firebird Class A Shares pursuant to §3.1(b)(i) and that the Firebird Class A Shares shall be exchanged partially for New Shares pursuant to §3.1(c), Firebird shall not issue replacement share certificates representing the Firebird Class A Shares.

4.2 **Firebird's Newco Shares:** Recognizing that the Distributed Newco Shares shall be transferred to the Firebird Shareholders as consideration for the redemption of the Firebird Class B Preferred Shares pursuant to §3.1(f), Newco shall issue one share certificate representing all of the Distributed Newco Shares registered in the name of Firebird, which share certificate shall be held by the Depository until the Distributed Newco Shares are transferred to the Firebird Shareholders and such certificate shall then be cancelled by the Depository. To facilitate the transfer of the Distributed Newco Shares to the Firebird Shareholders as of the Effective Date, Firebird shall

EXHIBIT II - 6

execute and deliver to the Depository and the Transfer Agent an irrevocable power of attorney authorizing them to distribute and transfer the Distributed Newco Shares to such Firebird Shareholders in accordance with the terms of this Plan of Arrangement and Newco shall deliver a treasury order or such other direction to effect such issuance to the Transfer Agent as requested by it.

4.3 **Firebird Class B Preferred Shares:** Recognizing that all of the Firebird Class B Preferred Shares issued to the Firebird Shareholders pursuant to §3.1(c) will be redeemed by Firebird as consideration for the distribution and transfer of the Distributed Newco Shares under §3.1(f), Firebird shall issue one share certificate representing all of the Firebird Class B Preferred Shares issued pursuant to §3.1(f) in the name of the Depository, to be held by the Depository for the benefit of the Firebird Shareholders until such Firebird Class B Preferred Shares are redeemed, and such certificate shall then be cancelled.

4.4 **Delivery of Newco Share Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered holders of Firebird Shares as at the Effective Time, share certificates representing the Newco Shares to which they are entitled pursuant to this Plan of Arrangement and shall cause such share certificates to be mailed to such registered holders.

4.5 **Delivery of the Newco Warrant Certificates:** As soon as practicable after the Effective Date, Newco shall cause to be issued to the registered Firebird Warrantholders as at the Effective Time, warrant certificates representing the Newco Warrants to which they are entitled pursuant to this Plan of Arrangement and shall cause such warrant certificates to be mailed to such registered holders.

4.6 **New Share Certificates:** From and after the Effective Date, share certificates representing Firebird Shares immediately before the Effective Date, except for those deemed to have been cancelled pursuant to Article 5, shall for all purposes be deemed to be share certificates representing New Shares, and no new share certificates shall be issued with respect to the New Shares issued in connection with the Arrangement.

4.7 **New Firebird Warrant Certificates:** From and after the Effective Date, certificates representing Firebird Warrants immediately before the Effective Date shall for all purposes be deemed to represent New Firebird Warrants, and no new certificates shall be issued with respect to the New Firebird Warrants issued in connection with the Arrangement.

ARTICLE 5 RIGHTS OF DISSENT

5.1 **Dissent Right:** Notwithstanding §3.1 hereof, holders of Firebird Shares (other than the Vendor) may exercise Dissent Rights in connection with the Arrangement pursuant to the Interim Order and in accordance with the Dissent Procedures.

5.2 **Dealing with Dissenting Shares:** Registered holders of Firebird Shares (other than the Vendor) may exercise Dissent Procedures with respect to Firebird Shares in connection with the Arrangement, provided that, notwithstanding the Dissent Procedures, the written objection to the special resolution to approve the Arrangement contemplated by Section 242 of the BCBCA must be sent to Firebird by holders who wish to dissent at least two days before the Firebird Meeting or any date to which the Firebird Meeting may be postponed or adjourned and provided further that holders who exercise such rights of dissent and who:

- (a) are ultimately entitled to be paid fair value for their Firebird Shares, which fair value shall be the fair value of such shares on the close of business on the Business Day before the date of the Firebird Meeting, shall be paid an amount equal to such fair value by Newco and shall be deemed to have transferred their Firebird Shares, free of all liens, to Firebird for cancellation immediately before the Effective Date; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Firebird Shares shall be deemed to have participated in the Arrangement, as of the Effective Date, on the same basis as a non-dissenting Firebird Shareholder and shall be entitled to receive only the consideration contemplated in Article 3 that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Procedures,

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but further provided that in no case shall Firebird, Newco or any other person be required to recognize holders of Firebird Shares who exercise Dissent Procedures as holders of Firebird Shares after the time that is immediately prior to the Effective Date, and the names of such holders of Firebird Shares who exercise Dissent Procedures shall be deleted from the central securities register as holders of Firebird Shares at the Effective Date.

5.3 **Reservation of Newco Shares:** If a Firebird Shareholder exercises the Dissent Right, Firebird shall on the Effective Date set aside and not distribute that portion of the Distributed Newco Shares that is attributable to the Firebird Shares for which the Dissent Right has been exercised. If the dissenting Firebird Shareholder is ultimately not entitled to be paid for their Dissenting Shares, Firebird shall distribute to such Firebird Shareholder such number of Newco Shares as is equal to the number of Firebird Shares held by the Firebird Shareholder as at the Effective Time on the Effective Date multiplied by the Exchange Factor . If a Firebird Shareholder duly complies with the Dissent Procedures and is ultimately entitled to be paid for their Dissenting Shares, then Firebird shall retain the portion of the Distributed Newco Shares attributable to such Firebird Shareholder (the "**Non-Distributed Newco Shares**"), and the Non-Distributed Newco Shares shall be dealt with as determined by the board of directors of Firebird in its absolute discretion.

ARTICLE 6
REFERENCE DATE

6.1 **Reference Date:** This plan of arrangement is dated for reference the 12th day of May, 2011.

No. S-113205
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 AND 291
OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57
AND AMENDMENTS THERETO

AND

IN THE MATTER OF A PROPOSED
ARRANGEMENT BETWEEN
FIREBIRD RESOURCES INC.,
GTO RESOURCES INC. AND
THE SECURITYHOLDERS OF
FIREBIRD RESOURCES INC.

PETITIONER

INTERIM ORDER

Rod Talaifar
Sangra Moller LLP
1000 Cathedral Place
925 West Georgia St.
Vancouver, B.C. V6C 3L2
Tel: 604-692-3023
Fax: 604-669-8803
6950 001

SCHEDULE "D"
NOTICE OF HEARING

(Please see attached.)



NO. S-113205
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTIONS 288 AND 291
OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57
AND AMENDMENTS THERETO

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT
BETWEEN FIREBIRD RESOURCES INC., GTO RESOURCES INC. AND
THE SECURITYHOLDERS OF FIREBIRD RESOURCES INC.

FIREBIRD RESOURCES INC.

PETITIONER

NOTICE OF HEARING

TO: THE SECURITYHOLDERS OF FIREBIRD RESOURCES INC.
AND TO: GTO RESOURCES INC.

NOTICE IS HEREBY GIVEN that a Petition, as amended, has been filed by Firebird Resources Inc. (the "**Petitioner**") in the Supreme Court of British Columbia for approval of a plan of arrangement (the "**Arrangement**"), pursuant to the *Business Corporations Act*, S.B.C. 2002, Chapter 57 as amended.

AND NOTICE IS FURTHER GIVEN that by an Interim Order of the Supreme Court of British Columbia, pronounced May 13, 2011, the Court has given directions as to the calling of an annual and special meeting of the holders of common shares in the capital of the Petitioner (the "**Shareholders**"), for the purpose of, inter alia, considering and voting upon the Arrangement and approving the Arrangement.

AND NOTICE IS FURTHER GIVEN that an application for a Final Order approving the Arrangement and for a determination that the terms and conditions of the Arrangement are fair to the Shareholders shall be made before the presiding Judge in Chambers at the Courthouse, 800 Smithe Street, Vancouver, British Columbia on June 14, 2011, at 9:45 a.m. (Vancouver time), or so soon thereafter as counsel may be heard (the "**Final Application**").

IF YOU WISH TO BE HEARD, any Shareholder affected by the Final Order sought may appear (either in person or by counsel) and make submissions at the hearing of the Final Application if such person has filed with the Court at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, a Response to Petition in the form prescribed by the *Rules of Court* of the Supreme Court of British Columbia and delivered a copy of the filed Response to Petition, together with all materials on which such person intends to rely at the hearing of the Final Application, including an outline of such person's proposed submissions, to the Petitioner at its address for delivery set out below by or before 8:00 a.m. (Vancouver time) on June 10, 2011.

The Petitioner's address for delivery is:

SANGRA MOLLER LLP
1000 Cathedral Place
925 West Georgia Street
Vancouver, B.C. V6C 3L2

Attention: Gary S. Gill

IF YOU WISH TO BE NOTIFIED OF ANY ADJOURNMENT OF THE FINAL APPLICATION, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing and delivering the form of "Response to Petition" as aforesaid. You may obtain a form of "Response to Petition" at the Court Registry, 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

AT THE HEARING OF THE FINAL APPLICATION the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court deems fit.

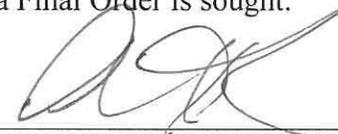
IF YOU DO NOT FILE AN RESPONSE TO PETITION and attend either in person or by counsel at the time of such hearing, the Court may approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court shall deem fit, all without any further notice to you. If the Arrangement is approved, it will significantly affect the rights of the Shareholders.

A copy of the said Petition, as amended, and other documents in the proceedings will be furnished to any member of the Petitioner upon request in writing addressed to the solicitors of the Petitioner at its address for delivery as set out above.

It is not known whether the matter will be contested and it is estimated that the hearing will take 10 minutes to be heard.

This matter is not within the jurisdiction of a master because a Final Order is sought.

Dated: May 13, 2011



Solicitors for the Petitioner

This Notice of Hearing was prepared by R. Talaifar of the law firm of Sangra Moller LLP whose place of business is 1000 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

SCHEDULE "E"

DISSENT RIGHTS

PART 2 OF DIVISION 8 OF THE *BUSINESS CORPORATIONS ACT* (BRITISH COLUMBIA)

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

- (a) the court orders otherwise, or
- (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
- (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
- (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

- (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must
- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
 - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

- 239** (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.
- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

- (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

- 240** (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,
- (a) a copy of the proposed resolution, and
 - (b) a statement advising of the right to send a notice of dissent.
- (3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,
- (a) a copy of the resolution,
 - (b) a statement advising of the right to send a notice of dissent, and
 - (c) if the resolution has passed, notification of that fact and the date on which it was passed.
- (4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

- 241** If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent
- (a) a copy of the entered order, and

- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

- 242** (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must,
- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
 - (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
 - (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.
- (2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company
- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

- (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

- 243** (1) A company that receives a notice of dissent under section 242 from a dissenter must,
- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
 - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
- (2) A notice sent under subsection (1) (a) or (b) of this section must
- (a) be dated not earlier than the date on which the notice is sent,
 - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
 - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

- 244** (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,
- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
 - (b) the certificates, if any, representing the notice shares, and
 - (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.
- (2) The written statement referred to in subsection (1) (c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
 - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,

- (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
 - (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.
- (4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.
- (5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.
- (6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

- 245** (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must
- (a) promptly pay that amount to the dissenter, or
 - (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may
- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
 - (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
 - (c) make consequential orders and give directions it considers appropriate.
- (3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must
- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

- (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.
- (4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),
- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or
 - (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.
- (5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that
- (a) the company is insolvent, or
 - (b) the payment would render the company insolvent.

Loss of right to dissent

- 246** The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:
- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
 - (b) the resolution in respect of which the notice of dissent was sent does not pass;
 - (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
 - (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
 - (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
 - (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
 - (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
 - (h) the notice of dissent is withdrawn with the written consent of the company;
 - (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

- 247** If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,
- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE "F"

FIREBIRD RESOURCES INC.

Pro-Forma Consolidated Balance Sheet

January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

COMPILATION REPORT

To the Directors of Firebird Resources Inc.

We have read the accompanying unaudited pro-forma consolidated balance sheet of Firebird Resources Inc. (the "Company") as at January 31, 2011, and have performed the following procedures:

1. Compared the figures in the columns captioned Firebird Resources Inc. to the unaudited consolidated financial statements of the Company as at January 31, 2011 and found them to be in agreement.
2. Made enquiries of certain officials of the Company who have responsibility for financial and accounting matters about the basis for determination of the pro-forma adjustments. The officials described to us the basis for determination of the pro-forma adjustments.
3. Read the notes to the pro-forma consolidated financial statements and found them to be consistent with the basis described to us for determination of the pro-forma adjustments.
4. Recalculated the application of the pro-forma adjustments to the aggregate of the amounts in the column captioned "Firebird Resources Inc." and found the amounts to be arithmetically correct.

A pro-forma financial statement is based on management assumptions and adjustments which are inherently subjective. The foregoing procedures are substantially less than either an audit or a review, the objective of which is the expression of assurance with respect to management's assumptions, the pro-forma adjustments, and the application of the adjustments to the historical financial information. Accordingly, we express no such assurance. The foregoing procedures would not necessarily reveal matters of significance to the pro-forma financial statements, and we therefore make no representation about the sufficiency of the procedures for the purposes of a reader of such statements.

/s/ SATURNA GROUP CHARTERED ACCOUNTANTS LLP

SATURNA GROUP CHARTERED ACCOUNTANTS LLP

Vancouver, Canada

April 26, 2011

FIREBIRD RESOURCES INC.

Pro-forma consolidated balance sheet

As at January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

	Firebird Resources Inc. \$	Pro-Forma Adjustments \$		Firebird Resources Inc. Pro-Forma \$
ASSETS				
Current assets				
Cash	12,456	3,000,000 (a)		2,862,456
		(150,000) (f)		
Amounts receivable	12,652	–		12,652
	25,108	2,850,000		2,875,108
Mineral properties	492,201	(390,228) (b)		101,973
	517,309	2,459,772		2,977,081
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	124,109	–		124,109
Advances from shareholders	15,000	–		15,000
	139,109	–		139,109
Convertible debenture	76,288	–		76,288
	215,397	–		215,397
SHAREHOLDERS' EQUITY (DEFICIT)				
Share capital	11,529,055	3,000,000 (a)		13,988,827
		(390,228) (b)		
		(150,000) (f)		
Contributed surplus	148,481	–		148,481
Equity portion of convertible debenture	231,092	–		231,092
Deficit	(11,606,716)	–		(11,606,716)
	301,912	2,459,772		2,761,684
	517,309	2,459,772		2,977,081

FIREBIRD RESOURCES INC.

Notes to the pro-forma consolidated balance sheet

As at January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

1. BASIS OF PRESENTATION

This unaudited pro-forma balance sheet has been compiled for purposes of inclusion in the Management Information Circular of Firebird Resources Inc. (the “Company”) dated April 26, 2011, in connection with the reorganization of certain existing mineral property interests to a separate corporate entity. A pro-forma presentation of operations, comprehensive loss, and deficit, and cash flows for any period ending January 31, 2011 is not considered practicable in this circumstance nor would it provide any meaningful information to a financial statement reader.

This pro-forma balance sheet has been derived from the unaudited balance sheet of the Company as at January 31, 2011 and gives effect to the Company’s proposed Plan of Arrangement (the “Arrangement”) under the Business Corporations Act (British Columbia). Upon completion of the Arrangement, among other things, the Company’s interest in the Rose and Hyman Porter Uranium properties will be owned by GTO Resources Inc. (“GTO”).

The pro-forma balance sheet has been prepared as if the Arrangement had occurred on January 31, 2011 and that the adjustments disclosed in Note 2 had occurred on the same date. In the opinion of management, the pro-forma balance sheet includes all the adjustments necessary for fair presentation in accordance with Canadian generally accepted accounting principles, inclusive of the effect of the assumptions noted in Note 3.

The pro-forma balance sheet is not necessarily reflective of the financial position that would have resulted if the events reflected herein under the Arrangement had occurred on January 31, 2011, but rather expresses the pro-forma results of specific transactions currently proposed. Further, this pro-forma balance sheet is not necessarily indicative of the financial position that may be attained in the future. The pro-forma financial statements should be read in conjunction with the Company’s January 31, 2011 unaudited consolidated financial statements and April 30, 2010 audited consolidated financial statements, which is included in the Management Information Circular.

2. PRO-FORMA ADJUSTMENTS

The pro-forma balance sheet gives effect to the following transactions as if they had occurred at January 31, 2011:

- (a) The Company completes a private placement of 5,000,000 units at \$0.60 per unit for proceeds of \$3,000,000. Each unit will consist of one common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable at \$1.00 per common share for a period of eighteen months.
- (b) The Company will transfer the assets, referred to in Note 3, to GTO and receive consideration of 22,875,407 common shares of GTO (the “Distributed Newco Shares”).
- (c) The authorized share capital of the Company is changed such that the identifying name of the current Company shares is altered to be Class A voting common shares without par value (“Firebird Class A Share”), a new class of unlimited common shares without par value (the “New Common Shares”) is created along with a class of unlimited preferred shares without par value (the “Class B Preferred Shares”).
- (d) Other than as set forth in the Arrangement, all issued and outstanding Class A common shares of the Company are exchanged for one New Common Share and one Class B Preferred Share of the Company.
- (e) The Company redeems the Class B Preferred Shares relating to the value of the GTO assets and gives as consideration to the holders of these shares, being the existing shareholders of the Company, other than as may be set forth in the Arrangement, the Distributed Newco Shares.
- (f) Estimated costs of \$150,000 to complete the Arrangement are paid by the Company.

FIREBIRD RESOURCES INC.

Notes to the pro-forma consolidated balance sheet

As at January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

3. PRO-FORMA ASSUMPTIONS

Pursuant to the Arrangement, the assets to be transferred to GTO, which consist of the Roberts Creelman Uranium Property (Rose property) and Hyman Porter Uranium property, based on their carrying values in the financial statements of the Company as at January 31, 2011, are as follows:

	\$
Acquisition costs	224,000
Exploration costs	166,228
	<u>390,228</u>

The Arrangement would transfer these assets from their ownership by the Company to ownership by Newco, and the immediate distribution of a controlling interest in the common shares of GTO to the shareholders of the Company, other than as set forth in the Arrangement. The shareholders of the Company, at the time of the Arrangement, other than as set forth in the Arrangement, will continue to collectively own these assets through GTO. Given that there will be no substantive change in the beneficial ownership of these assets at the time they are vended to GTO, the transfer is recorded using the historical carrying values under Canadian generally accepted accounting principles in the accounts of the Company.

SCHEDULE "G"

GTO Resources Inc.

Pro-Forma Balance Sheet

January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

COMPILATION REPORT

To the Directors of GTO Resources Inc.

We have read the accompanying unaudited pro-forma balance sheet of GTO Resources Inc. (the "Company") as at January 31, 2011, and have performed the following procedures:

1. Made enquiries of certain officials of the Company who have responsibility for financial and accounting matters about the basis for determination of the pro-forma adjustments. The officials described to us the basis for determination of the pro-forma adjustments.
2. Read the notes to the pro-forma financial statements and found them to be consistent with the basis described to us for determination of the pro-forma adjustments.
3. Recalculated the application of the pro-forma adjustments to the aggregate of the amounts in the column captioned "GTO Resources Inc." and found the amounts to be arithmetically correct.

A pro-forma financial statement is based on management assumptions and adjustments which are inherently subjective. The foregoing procedures are substantially less than either an audit or a review, the objective of which is the expression of assurance with respect to management's assumptions, the pro-forma adjustments, and the application of the adjustments to the historical financial information. Accordingly, we express no such assurance. The foregoing procedures would not necessarily reveal matters of significance to the pro-forma financial statements, and we therefore make no representation about the sufficiency of the procedures for the purposes of a reader of such statements.

/s/ SATURNA GROUP CHARTERED ACCOUNTANTS LLP

SATURNA GROUP CHARTERED ACCOUNTANTS LLP

Vancouver, Canada

April 26, 2011

GTO RESOURCES INC.

Pro-forma balance sheet

As at January 31, 2011

(Expressed in Canadian dollars)

(unaudited – see Compilation Report)

	GTO Resources Inc. \$	Pro-Forma Adjustments \$		GTO Resources Inc. Pro-Forma \$
ASSETS				
Current assets				
Cash	1	700,000	(b)	700,001
	1	700,000		700,001
Mineral properties	–	390,228	(a)	390,228
	1	1,090,228		1,090,229
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	–	–		–
SHAREHOLDERS' EQUITY				
Share capital	1	390,228	(a)	1,090,229
		700,000	(b)	
Deficit	–	–		–
	1	1,090,228		1,090,229
	1	1,090,228		1,090,229

GTO RESOURCES INC.

Notes to the pro-forma balance sheet
As at January 31, 2011
(Expressed in Canadian dollars)
(unaudited – see Compilation Report)

1. BASIS OF PRESENTATION

This unaudited pro-forma balance sheet has been compiled for purposes of inclusion in the Management Information Circular of Firebird Resources Inc. (“Firebird”) dated April 26, 2011, in connection with the reorganization of certain existing mineral property interests to a separate corporate entity by a Plan of Arrangement (the “Arrangement”). GTO Resources Inc. (the “Company”) has been incorporated under the Business Corporations Act (BC). Under the terms of the Arrangement, among other things, the Company will own substantially all of Firebird’s interest in the Rose and Hyman Porter Uranium properties in exchange for consideration of 22,875,407 common shares of the Company, which will then be distributed to the current shareholders of Firebird pro-rata based on their relative shareholdings of Firebird as set forth in the Arrangement.

This pro-forma balance sheet has been prepared as if the Arrangement occurred on January 31, 2011 and that the adjustments disclosed in Note 2 had occurred on the same date. In the opinion of management, the pro-forma balance sheet includes all the adjustments necessary for fair presentation in accordance with Canadian generally accepted accounting principles, inclusive of the effect of the assumptions noted in Note 3. A pro-forma presentation of operations for the period ending January 31, 2011 is not considered practicable nor would it provide any meaningful information to a financial statement reader.

The pro-forma balance sheet is not necessarily reflective of the financial position that would have resulted if the events reflected herein under the Arrangement had occurred on January 31, 2011, but rather expresses the pro-forma results of specific transactions currently proposed. Further, this pro-forma balance sheet is not necessarily indicative of the financial position that may be attained in the future.

2. PRO-FORMA ADJUSTMENTS

The pro-forma balance sheet gives effect to the following transactions as if they had occurred at January 31, 2011:

- (a) Firebird transfers the assets, referred to in Note 3, to the Company in exchange for 22,875,407 common shares of the Company.
- (b) The Company completes a non-brokered private placement of up to 2,333,333 units at \$0.30 per unit for proceeds of \$700,000 to arm’s length parties. Each unit will consist of one common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable at \$0.45 per common share for a period of eighteen months.
- (c) Estimated costs of \$150,000 to complete the Arrangement are paid by Firebird.

3. PRO-FORMA ASSUMPTIONS

Pursuant to the Arrangement, the assets to be transferred to the Company, which consist of the Roberts Creelman Uranium property (Rose property) and Hyman Porter Uranium property, based on their carrying values in the financial statements of Firebird as at January 31, 2011, are as follows:

	\$
Acquisition costs	224,000
Exploration costs	166,228
	<u>390,228</u>

GTO RESOURCES INC.

Notes to the pro-forma balance sheet
As at January 31, 2011
(Expressed in Canadian dollars)
(unaudited – see Compilation Report)

3. PRO-FORMA ASSUMPTIONS (continued)

The Arrangement would transfer these assets from their ownership in Firebird to the Company, and the immediate distribution of a controlling interest in the common shares of the Company to the shareholders of Firebird. The shareholders of Firebird at the time of the Arrangement, other than as set forth in the Arrangement, will continue to collectively own these assets through the Company. Given that there will be no substantive change in the beneficial ownership of these assets at the time they are vended to the Company, the transfer is recorded using the historical carrying values under Canadian generally accepted accounting principles.

The Company will assume the position of Firebird with respect to the option agreement for the Rose Property. To maintain this asset, the Company will be obligated, as necessary, to complete the terms of the option agreement, comprised generally of issuing common shares to property optionors and completing exploration work obligations. Readers should refer to the January 31, 2011 unaudited consolidated financial statements and April 30, 2010 audited consolidated financial statements of Firebird, as well as to Firebird's current Management Information Circular, for further details regarding the property and any agreements and commitments being transferred to the Company.

Furthermore, the pro-forma balance sheet reflects the assumption that the Company will acquire, by election, a tax basis in its property interests equal to their carrying amount for accounting purposes, such that no liability exists for future income taxes.

4. SHARE CAPITAL

	Number of shares	\$
Share issued at incorporation	1	1
Shares issued to acquire mineral property interests	22,875,407	390,228
Shares issued for private placement	2,333,333	700,000
Balance, January 31, 2011	25,208,741	1,090,229

5. SHARE PURCHASE WARRANTS

The Firebird share purchase warrant holders of record as of the effective date of the Arrangement will receive, in exchange for each Firebird share purchase warrant held, one new share purchase warrant of Firebird (the "New Firebird Warrant") and one-half of one share purchase warrant of the Company (the "Newco Warrant"). Each New Firebird Warrant and each whole Newco Warrant will have an exercise period equal to the existing Company share purchase warrants and a term equal to the term remaining on the Company share purchase warrants being exchanged.

In addition to the share purchase warrants that will be issued as described in Note 2(b), pursuant to the Arrangement, the Company will have the following share purchase warrants outstanding as at January 31, 2011:

Number of warrants outstanding	Exercise price \$	Expiry date
1,200,000	0.25	September 29, 2014
11,000,000	0.05	November 13, 2014
3,255,000	0.05	December 10, 2014
2,805,000	0.05	January 14, 2015
1,250,000	1.00	18 months from issuance date***
19,510,000		

***this reflects the private placement that Firebird completes on or before the effective date of the Arrangement.

SCHEDULE "H"

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Consolidated Financial Statements

Years Ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

AUDITORS' REPORT

To the Shareholders of
Firebird Resources Inc. (formerly Falcon Ventures International Inc.)

We have audited the consolidated balance sheet of Firebird Resources Inc. (formerly Falcon Ventures International Inc.) as at April 30, 2010, and the consolidated statements of operations, deficit, comprehensive loss, and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The consolidated financial statements as at April 30, 2009 and for the year then ended were audited by other auditors who expressed an opinion without reservation on those statements in their audit report dated August 28, 2009.

/s/ SATURNA GROUP CHARTERED ACCOUNTANTS LLP

Saturna Group Chartered Accountants LLP

Vancouver, Canada

August 25, 2010

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Consolidated balance sheets

As at April 30, 2010 and 2009

(Expressed in Canadian dollars)

	2010	2009
	\$	\$
ASSETS		
Current assets		
Cash	383,483	3,121
Amounts receivable	2,518	298
Prepaid expenses	3,968	–
	389,969	3,419
Mineral properties (Note 3)	378,228	264,555
	768,197	267,974
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable and accrued liabilities	52,838	131,270
Advances from shareholders (Note 4)	126,581	372,959
	179,419	504,229
Convertible debenture (Note 5)	41,624	–
	221,043	504,229
SHAREHOLDERS' EQUITY (DEFICIT)		
Share capital (Note 7)	11,524,555	10,770,912
Contributed surplus (Note 8)	148,481	148,481
Equity portion of convertible debenture (Note 5)	231,092	–
Deficit	(11,356,974)	(11,155,648)
	547,154	(236,255)
	768,197	267,974

Nature of operations and continuance of business (Note 1)

Subsequent events (Note 13)

Approved on behalf of the Board:

/s/ "Thomas Tough"

Thomas Tough, Director

/s/ "Glen Macdonald"

Glen Macdonald, Director

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Consolidated statements of operations, comprehensive loss and deficit

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

	2010	2009
	\$	\$
Revenue	–	–
Expenses		
General and administrative (Note 6)	84,366	53,046
Management fees (Note 6)	57,500	30,000
Professional fees (Note 6)	27,250	50,896
Write-down of mineral properties	–	124,180
	169,116	258,122
Loss before other expenses	(169,116)	(258,122)
Other expenses		
Accretion of discount on convertible debenture	(17,716)	–
Financing costs	(16,575)	–
Interest expense	(9,851)	–
	(44,142)	–
Loss before income taxes	(213,258)	(258,122)
Future income tax recovery (Note 13)	11,932	–
Net loss and comprehensive loss for the year	(201,326)	(258,122)
Deficit, beginning of year	(11,155,648)	(10,897,526)
Deficit, end of year	(11,356,974)	(11,155,648)
Basic and diluted net loss per common share	(0.02)	(0.09)
Weighted average number of common shares outstanding	10,436,107	2,923,536

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Consolidated statements of cash flows

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

	2010	2009
	\$	\$
Operating Activities		
Net loss for the period	(201,326)	(258,122)
Items not involving cash:		
Accretion of discount on convertible debenture	17,716	–
Future income tax recovery	(11,932)	–
Shares issued for financing costs	16,575	–
Shares issued for services	–	5,000
Write-down of mineral properties	–	124,180
Changes in non-cash working capital items:		
Amounts receivable	(2,220)	10,863
Prepaid expenses	(3,968)	–
Accounts payable and accrued liabilities	(78,432)	10,645
	(263,587)	(107,434)
Investing Activities		
Mineral property expenditures	(113,673)	(14,668)
	(113,673)	(14,668)
Financing Activities		
Advances from shareholders	58,882	122,753
Repayment of shareholders' loans	(305,260)	–
Proceeds from convertible debenture	255,000	–
Proceeds from issuance of common shares	755,000	–
Share issuance costs	(6,000)	–
	757,622	122,753
Increase in cash	380,362	651
Cash, beginning of year	3,121	2,470
Cash, end of year	383,483	3,121
Non-cash investing and financing activities:		
Issuance of shares for acquisition of mineral properties	–	1,500
Issuance of shares to settle debt	–	497,670
Issuance of common shares for finders' fees	69,500	–
Discount on convertible debenture recorded as equity	231,092	–
Supplemental Disclosures:		
Interest paid	–	–
Income taxes paid	–	–

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated under the Canada Business Corporations Act and is listed on the TSX Venture Exchange. On November 4, 2009, the Company changed its name from Falcon Ventures International Inc. to Firebird Resources Inc. The Company is an exploration stage company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete explorations and development and future profitable production from the properties.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at April 30, 2010, the Company has not generated any revenues from operations and has an accumulated deficit of \$11,356,974. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

The consolidated financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles. These consolidated financial statements include the accounts of the Company and its' wholly owned subsidiaries, Falcon Ventures (US) Corp. and K.K. Tan International Inc. All significant inter-company balances and transactions have been eliminated on consolidation.

(b) Newly Adopted Accounting Policies

Effective February 1, 2009, the Company adopted CICA Handbook Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Intangible Assets", and Section 3450, "Research and Development Costs". This revision establishes standards for the recognition, measurement and disclosure of goodwill and intangible assets. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In March 2009, the Company adopted CICA Emerging Issues Committee ("EIC") Abstract 174, "Accounting by Mining Enterprises for Exploration Costs", which replaces EIC 126, "Accounting by Mining Enterprises for Exploration Costs", to provide additional guidance for mining exploration enterprises on the accounting for the capitalization costs and when an impairment test of these costs are required. The adoption of this standard did not have a material effect on the Company's financial statements.

In June 2009, the Accounting Standards Board ("AcSB") further amended CICA Handbook Section 3862, "Financial Instruments – Disclosures" to include additional disclosures about fair value measurements of financial instruments and to enhance risk disclosure. The additional fair value measurement disclosures include classification of financial instrument fair values in a fair value hierarchy comprising three levels reflecting the significance of the inputs used in making the measurements, described as follows:

- Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Newly Adopted Accounting Policies (continued)

Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and

Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

These amendments were required to be adopted for the year ended April 30, 2010. The adoption of this section did not have a material effect on the Company's consolidated financial statements.

(c) Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the related notes to the consolidated financial statements. Significant consolidated financial statement items which involve the use of estimates includes the recoverability of mineral property costs, equity component of the convertible debenture, and future income tax asset valuation allowances. Actual results could differ from those estimates.

(d) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

(e) Mineral properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold, or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production.

The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property.

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

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Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Asset Retirement Obligations

The Company follows CICA Handbook Section 3110, "Asset Retirement Obligations", which established standards for asset retirement obligations and the associated retirement costs related to site reclamation and abandonment. The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value.

(g) Income taxes

The Company follows the asset and liability method of accounting for income taxes. Future income taxes assets and liabilities are recognized for the estimated future tax consequences attributable to the difference between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases ("temporary differences") and loss carry forwards. When necessary, a valuation allowance is recorded to reduce income tax assets to an amount where realization is more likely than not. Future income tax assets and liabilities are measured using enacted or substantively enacted tax laws and rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in rates is recognized in the period that included the date of enactment or substantive enactment.

(h) Flow-through shares

The Company follows the recommendations of Emerging Issue Committee Abstract No. 146, which is effective for all flow-through share transactions. Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, a future income tax liability is recognized and share capital is reduced. If the Company has sufficient unused tax losses carried forward or other future income tax assets to offset all or part of this future income tax liability and no future income tax assets have been previously recognized for these items, a portion of such unrecognized losses is recorded as income up to the amount of the future income tax liability that was previously recognized on the renounced expenditures.

(i) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at exchange rates in effect at the consolidated balance sheet date. Non-monetary assets and liabilities are translated at transaction date rates. Revenue and expenses are translated at average rates for the period. Foreign exchange gains and losses are included in the results of operations.

(j) Financial instruments

The Company classifies all financial instruments as either held-for-trading, available-for-sale, held-to-maturity, loans and receivables or other financial liabilities. Financial instruments are required to be measured at fair value on initial recognition. Measurement in subsequent periods depends on the financial instruments classification. Held-for-trading instruments are measured at fair value with unrealized gains and losses recognized in results of operations. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in other comprehensive income. Instruments held-to-maturity, loans and receivables and other financial liabilities are measured at amortized cost. The Company has classified its cash as held-for-trading. Amounts receivable are classified as loans and receivables. Accounts payable, accrued liabilities, advances from shareholders, and convertible debenture are classified as other financial liabilities.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Loss per share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. As the Company has recorded a loss in each of the periods presented, basic and diluted loss per share are the same since the exercise of warrants or options would reduce the loss per share.

(l) Comprehensive loss

Section 1530 establishes standards for the reporting and display of comprehensive income. The Company's does not have any items representing comprehensive income or loss.

(m) Stock-based compensation

The Company recognizes stock-based compensation expense in accordance with CICA Handbook Section 3870, "Stock-Based Compensation and Other Stock-Based Payments". When stock or stock options are issued to employees, compensation expense is recognized based on the fair value of the stock or stock options issued on the date of grant, over the vesting period of the stock or stock options. Stock-based payments to non-employees are measured at the fair value of the consideration received, or the fair value of the equity instruments issued, or liabilities incurred, whichever is more reliably measurable. The fair value of stock-based payments to non-employees is periodically re-measured until counterparty performance is complete, and any change therein is recognized over the period and in the same manner as if the Company had paid cash instead of paying with or using equity instruments. The cost of stock-based payments to non-employees that are fully vested and non-forfeitable at the grant date is measured and recognized at that date. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus.

(n) Future changes in accounting standards

In August 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1625, "Comprehensive Revaluation of Assets and Liabilities" for consistency with new Section 1582, "Business Combinations". The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. The adoption of this section is not expected to have a material impact on the financial statements.

In August 2009, AcSB issued CICA Handbook Section 3251, "Equity" in response to issuing Section 1602, "Non-controlling Interests". The amendments require non-controlling interests to be recognized as a separate component of equity. The amendments apply only to entities that have adopted Section 1602. The adoption of this section is not expected to have a material impact on the financial statements.

In January 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Sections 1582, "Business Combinations", 1601, "Consolidated Financial Statements" and 1602, "Non-controlling Interests" which replace CICA Handbook Sections 1581, "Business Combinations" and 1600, "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after May 1, 2011. Early adoption of this section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning May 1, 2011. Early adoption of this section is permitted and all three sections must be adopted concurrently.

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(Expressed in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Future changes in accounting standards (continued)

In February 2008, the AcSB confirmed that public companies will be required to prepare interim and annual consolidated financial statements under International Financial Reporting Standards (“IFRS”) for fiscal years beginning on or after January 1, 2011. The transition date of May 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended April 30, 2011. Management is currently assessing the impact of adopting IFRS and it has not yet determined its effect on the Company’s consolidated financial statements.

(o) Comparative figures

Certain comparative figures have been reclassified to conform to current year presentation.

3. MINERAL PROPERTIES

	Rose Property, Ontario \$	Turnbull Property, Ontario \$	Island Lake, Manitoba \$	Second Narrows, Manitoba \$	Total \$
<i>Acquisition costs:</i>					
Balance, April 30, 2009	170,000	–	–	–	170,000
Option payments	42,000	–	–	–	42,000
Balance, April 30, 2010	212,000	–	–	–	212,000
<i>Exploration costs:</i>					
Balance, April 30, 2009	94,555	–	–	–	94,555
Airborne surveys/geophysics	48,524	–	–	–	48,524
Assays	2,254	–	–	–	2,254
Camp, field, and exploration work	6,533	–	–	–	6,533
Consulting fees	9,000	–	–	–	9,000
Filing fees and other	5,362	–	–	–	5,362
Balance, April 30, 2010	166,228	–	–	–	166,228
	378,228	–	–	–	378,228
<i>Acquisition costs:</i>					
Balance, April 30, 2008	158,500	20,000	15,000	10,000	203,500
Option payments	11,500	1,000	–	–	12,500
Write-down of properties	–	(21,000)	(15,000)	(10,000)	(46,000)
Balance, April 30, 2009	170,000	–	–	–	170,000
<i>Exploration costs:</i>					
Balance, April 30, 2008	90,887	2,000	58,182	17,998	169,067
Filing fees and other	3,668	–	–	–	3,668
Write-down of properties	–	(2,000)	(58,182)	(17,998)	(78,180)
Balance, April 30, 2009	94,555	–	–	–	94,555
	264,555	–	–	–	264,555

FIREBIRD RESOURCES INC.

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Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

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3. MINERAL PROPERTIES (continued)

(a) Rose Property, Ontario

Pursuant to a mineral property option agreement dated January 20, 2005, the Company was granted an option to acquire a 100% undivided interest in 42 claims located in the Sudbury area of Ontario. In order to keep the option granted to the Company in good standing, the Company is obligated to:

- i) issue 40,000 common shares (issued) and pay \$27,000 (paid) by January 14, 2005;
- ii) issue 45,000 common shares (issued) and pay \$30,000 (paid) by January 28, 2006;
- iii) issue 45,000 common shares (issued), pay \$35,000 (paid), and incur exploration costs of not less than \$80,000 by January 28, 2007;
- iv) issue 45,000 common shares (issued), pay \$40,000 (paid), and incur additional exploration costs of not less than \$100,000 by January 28, 2008; and
- v) issue 50,000 common shares and pay \$40,000 by January 28, 2009.

As at January 28, 2008, the Company did not incur exploration costs greater than \$100,000 as required by the option agreement. The option holder was aware of the breach of the terms of the option agreement and has waived this requirement in exchange for an alternative agreement where the Company is required to incur additional exploration costs of not less than \$70,000 prior to October 31, 2010.

As at January 28, 2009, the Company did not meet its commitment to issue 50,000 common shares and pay \$40,000 as part of the option agreement. On February 9, 2009, the 50,000 shares were issued with a fair value of \$1,500 and paid \$10,000. Subsequent to April 30, 2009, the Company paid the remaining obligation of \$30,000.

Upon commencement of commercial production on the property, the Company will pay a royalty payment of \$0.20 per pound of uranium produced and sold from the property to the option holder. The Company has the option and right to purchase and cancel the royalty payment at anytime in exchange for \$1,200,000. In 2005, the Company staked 62 adjacent claims to the Rose Property, and these additional claims are not subject to the royalty payment on the uranium produced and sold from the property.

The Company is required to pay all taxes, levies, and other expenditures as may be required in order to maintain the property in good standing with the applicable regulatory bodies. As at April 30, 2010, the option agreement is in good standing.

(b) Turnbull Property, Ontario

Pursuant to a mineral property option agreement dated May 4, 2005, the Company was granted an option to acquire a 100% undivided interest in two claims in the Turnbull area of Ontario. In order to keep the option granted to the Company in good standing, the Company was obligated to:

- i) issue 50,000 common shares on regulatory approval of the agreement;
- ii) issue 50,000 common shares by May 4, 2006; and
- iii) issue 100,000 common shares by May 4, 2007.

Upon completion of the above share issuances, the Company will have earned a 100% interest in the property, subject to retention by the vendor of a 1% net smelter royalty if the Company commences commercial production on the claims. The Company has the option and right to purchase and cancel 100% of the net smelter royalty at anytime for \$1,000,000.

During the year ended April 30, 2009, the Company paid \$1,000 to reacquire a 100% interest in one of the mining claims that had expired.

During the year ended April 30, 2009, the Company determined that there was an impairment of the value of the property due to the lack of exploration caused by the non-availability of funds. Based on this, the Company fully impaired all capitalized acquisition and exploration costs on the property.

FIREBIRD RESOURCES INC.

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Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

3. MINERAL PROPERTIES (continued)

(c) Second Narrows Property, Manitoba

On January 14, 2005, the Company entered into an option agreement whereby the Optionee could acquire up to a 50% undivided interest and a 1% net smelter royalty (“NSR”) in the Second Narrows property. During the year ended April 30, 2006, the Optionee earned a 20% interest in the claim and the 1% NSR. During the year ended April 30, 2007, the Optionee defaulted on the agreement and as a result, the 20% interest in the property was returned to Firebird Resources Inc. and the Optionee retained the 1% NSR.

During the year ended April 30, 2009, the Company determined that there was an impairment in the value of the property due to the lack of exploration caused by the non-availability of funds and the Company’s intent to not continue pursuing further exploration of the property. As a result, the Company fully impaired all capitalized acquisition and exploration costs on the property.

4. ADVANCES FROM SHAREHOLDERS

As at April 30, 2010 the advances from shareholders in the amount of \$126,581 (2009 - \$372,959) are unsecured, non-interest bearing, and have no fixed repayment terms.

5. CONVERTIBLE DEBENTURE

On December 10, 2009, the Company completed a convertible debenture financing for proceeds of \$255,000. The convertible debenture is unsecured and bears interest at 10% per annum payable annually in arrears. The debenture has a five year term plus one day and is convertible into common shares of the Company at \$0.10 per common share, at the holder’s option, for the duration of the term. The debenture holder was issued 2,550,000 detachable common share purchase warrants exercisable at \$0.10 per share for a period of five years. In connection with this financing, the Company issued 255,000 units with a fair value of \$16,575 as finder’s fees. Each unit consisted of one common share and one common share purchase warrant exercisable at \$0.10 per share for a period of five years.

Pursuant to CICA Handbook Section 3863, “Financial Instruments – Presentation”, the Company split the proceeds of the convertible debenture between debt and equity, based on the relative fair values of the debt, conversion option, and warrants. The amount attributable to the debt was \$23,908 and the amount attributable to the conversion option and warrants was \$231,092. This amount represented a deemed discount on the debt issuance, and accordingly is being accreted in the statement of operations on a straight-line basis over the five year term of the debt.

The fair values of the conversion option and the warrants were estimated using the Black-Scholes option pricing model assuming volatility of 100%, expected life of five years, risk-free rate of 2.42%, and no expected dividends.

6. RELATED PARTY TRANSACTIONS

(a) The Company incurred management fees of \$39,500 (2009 - \$30,000) to two directors and a former director of the Company.

(b) The Company incurred rent of \$6,450 (2009 - \$12,900) to a director of the Company.

(c) The Company incurred accounting fees of \$5,000 (2009 -\$nil) to the Chief Financial Officer of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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7. SHARE CAPITAL

Authorized: unlimited number of common shares without par value

	Number of shares	\$
Balance, April 30, 2008	2,635,081	10,271,742
Shares issued to settle advances from shareholders	424,640	212,327
Shares issued to settle loans payable	537,880	268,938
Shares issued to settle accounts payable	32,820	16,405
Shares issued for option payment on mineral properties	10,000	1,500
Balance, April 30, 2009	3,640,421	10,770,912
Issued pursuant to private placements	13,400,000	715,000
Issued pursuant to flow-through private placement	800,000	40,000
Shares issued as finders' fees for private placements	1,300,000	69,500
Shares issued as finder's fee for convertible debenture	255,000	16,575
Share issuance costs	—	(75,500)
Reduction for renunciation of flow-through tax benefit	—	(11,932)
Balance, April 30, 2010	19,395,421	11,524,555

- (a) On January 15, 2009, the Company issued 424,640 common shares to settle amounts due from shareholders of \$212,327, issued 537,880 common shares to settle loans payable of \$268,938, and issued 32,820 common shares to settle accounts payable of \$16,405.
- (b) On February 9, 2009, the Company issued 10,000 common shares with a fair value of \$1,500 as payment of pre-production costs for the Rose Property.
- (c) On September 29, 2009, the Company completed a private placement of 1,200,000 units at \$0.05 per unit for proceeds of \$60,000. Each unit consisted of one common share and one share purchase warrant granting the holder to acquire one additional common share at \$0.25 per share in the first year and \$0.50 per share thereafter, expiring on September 29, 2014. As part of the private placement, the Company paid finders' fees of \$6,000.
- (d) On November 4, 2009, the Company completed a consolidation of its share capital on a five old common shares for one new common share basis. All share amounts have been retroactively adjusted for all periods presented.
- (e) On November 13, 2009, the Company completed a private placement of 10,000,000 units at \$0.05 per unit for proceeds of \$500,000. Each unit consisted of one common share and one share purchase warrant granting the holder to acquire one additional common share at an exercise price of \$0.05 per share in the first year and \$0.10 per share thereafter, expiring on November 13, 2014. 800,000 of the units were issued as flow-through units. In connection with this private placement, the Company issued 1,000,000 units with a fair value of \$50,000 as finders' fees with the same terms.
- (f) On January 14, 2010, the Company issued 255,000 units with a fair value of \$16,575 as a finder's fees for the convertible debenture. Each unit consisted of one common share and one common share purchase warrant exercisable at \$0.10 per share for a period of five years.
- (g) On January 14, 2010, the Company completed a private placement of 3,000,000 units at \$0.065 per unit for gross proceeds of \$195,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at an exercise price of \$0.10 per share, expiring on January 13, 2015. In connection with this private placement, the Company paid finders' fees of 300,000 units with a fair value of \$19,500 having the same terms.

FIREBIRD RESOURCES INC.

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Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

8. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, April 30, 2008	78,040	0.20
Expired	(78,040)	0.20
Balance, April 30, 2009	–	–
Issued	18,305,000	0.08
Balance, April 30, 2010	18,305,000	0.08

As at April 30, 2010, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
1,200,000	0.25/0.50**	September 29, 2014
11,000,000	0.05/0.10**	November 13, 2014
2,805,000	0.10	December 10, 2014
3,300,000	0.10	January 14, 2015
<u>18,305,000</u>		

** exercise price increases after the first year.

9. STOCK OPTIONS

The following table summarizes the continuity of option transactions during the year ended:

	Number of options	Weighted average exercise price \$
Balance, April 30, 2008	660,000	0.23
Expired	(660,000)	0.23
Balance, April 30, 2009 and 2010	–	–

FIREBIRD RESOURCES INC.

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Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

10. FINANCIAL INSTRUMENTS AND RISKS

(a) Fair Values

As at April 30, 2010, the fair value of financial instruments measured on a recurring basis includes cash determined based on level one inputs, consisting of quoted prices in active markets for identical assets.

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, and advances from shareholders, approximate their carrying values due to the relatively short-term maturity of these instruments. The fair value of the convertible debenture is estimated to approximate its carrying value based on borrowing rates currently available to the Company for a loan with similar terms.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

The Company's cash contain highly liquid investments that earn interest at market rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

11. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and items included in shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended April 30, 2009.

FIREBIRD RESOURCES INC.

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Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

12. FUTURE INCOME TAXES

The tax effect (computed by applying the Canadian federal and provincial statutory rate) of the significant temporary differences, which comprise future tax assets and liabilities, are as follows:

	2010	2009
	\$	\$
Canadian statutory income tax rate	28.67%	33.33%
Income tax recovery at statutory rate	(61,134)	(86,032)
Tax effect of:		
Permanent differences and other	(17,038)	14,184
Change in enacted tax rates	70,783	–
Expiry of non-capital losses	43,292	38,596
Change in valuation allowance	(47,835)	33,252
Future income tax recovery	(11,932)	–

The significant components of future income tax assets and liabilities are as follows:

	2010	2009
	\$	\$
Future income tax assets		
Resource pools	94,081	120,734
Property and equipment	304	353
Share issuance costs	15,100	–
Non-capital losses carried forward	334,558	370,791
Valuation allowance	(444,043)	(491,878)
Net future income tax asset	–	–

As at April 30, 2010, the Company has non-capital losses carried forward of \$1,338,252 which are available to offset future years' taxable income. These losses expire as follows:

	\$
2014	217,846
2015	181,676
2026	194,112
2027	159,476
2028	241,374
2029	133,126
2030	210,642
	<u>1,338,252</u>

FIREBIRD RESOURCES INC.

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Notes to the consolidated financial statements

Years ended April 30, 2010 and 2009

(Expressed in Canadian dollars)

13. SUBSEQUENT EVENTS

- (a) On June 25, 2010, the Company entered into an option agreement (the “Agreement”) with Pageland Minerals Ltd., a Nevada corporation, to acquire a 100% interest in certain mineral leases held in South Carolina, USA. The mineral leases acquired consists of twenty separate leases comprising a total area of approximately 2,000 acres over three prospective gold properties. Under the terms of the Agreement, the Company will earn a 70% interest in the mineral leases in exchange for issuance of common shares equal to \$4,800,000, subject to a maximum of 50% of the issued and outstanding common shares of the Company, within twelve months of the effective date of the Agreement, payment of \$1,500,000 within fourteen months of the effective date of the Agreement, and incur minimum expenditures of \$1,000,000 before the first anniversary of the effective date of the Agreement, and a further \$1,000,000 before the second anniversary of the effective date of the Agreement. The Company will earn the remaining 30% interest in the mineral leases in exchange for a final payment of \$1,000,000 before the second anniversary of the effective date of the Agreement, and incurring an additional \$2,000,000 in expenditures before the third anniversary of the effective date of the Agreement.

On June 29, 2010, the Agreement was amended to limit the issuance of the common shares to not exceed 40% of the issued and outstanding common shares of the Company.

- (b) On July 14, 2010, the Company issued 15,000 common shares for proceeds of \$1,500 pursuant to the exercise of share purchase warrants.
- (c) On August 18, 2010, the Company issued 10,000 common shares for proceeds of \$1,000 pursuant to the exercise of share purchase warrants.

SCHEDULE "T"

FIREBIRD RESOURCES INC.

Interim Consolidated Financial Statements

For the Three and Nine Months Ended January 31, 2011

(unaudited)

FIREBIRD RESOURCES INC.

Consolidated balance sheets
(Expressed in Canadian dollars)
(unaudited)

	January 31, 2011 \$ (unaudited)	April 30, 2010 \$
ASSETS		
Current assets		
Cash and cash equivalents	12,456	383,483
Amounts receivable	12,652	2,518
Prepaid expenses	–	3,968
	25,108	389,969
Mineral properties (Note 3)	492,201	378,228
	517,309	768,197
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	124,109	52,838
Advances from shareholders (Note 4)	15,000	126,581
	139,109	179,419
Convertible debenture (Note 5)	76,288	41,624
	215,397	221,043
SHAREHOLDERS' EQUITY		
Share capital (Note 7)	11,529,055	11,524,555
Contributed surplus	148,481	148,481
Equity portion of convertible debenture (Note 5)	231,092	231,092
Deficit	(11,606,716)	(11,356,974)
	301,912	547,154
	517,309	768,197

Nature of operations and continuance of business (Note 1)
Subsequent events (Note 11)

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

Consolidated statements of operations, comprehensive loss and deficit
(Expressed in Canadian dollars)
(unaudited)

	Three Months Ended January 31, 2011 \$	Three Months Ended January 31, 2010 \$	Nine Months Ended January 31, 2011 \$	Nine Months Ended January 31, 2010 \$
Revenue	–	–	–	–
Expenses				
General and administrative	55,631	28,971	109,191	52,101
Management fees (Note 6)	44,331	20,250	38,250	39,750
Professional fees (Note 6)	37,567	2,827	79,936	32,402
	137,529	52,048	227,377	124,253
Loss before other income (expense)	(137,529)	(52,048)	(227,377)	(124,253)
Other income (expense)				
Accretion of discount on convertible debenture	(34,664)	(2,787)	(34,664)	(2,787)
Financing costs	–	(16,575)	–	(16,575)
Gain on settlement of debt	31,581	–	31,581	–
Interest expense	(19,282)	(3,633)	(19,282)	(3,633)
	(22,365)	(22,995)	(22,365)	(22,995)
Net loss and comprehensive loss for the period	(159,894)	(75,043)	(249,742)	(147,248)
Deficit, beginning of period	(11,446,822)	(11,227,853)	(11,356,974)	(11,155,648)
Deficit, end of period	(11,606,716)	(11,302,896)	(11,606,716)	(11,302,896)
Basic and diluted net loss per common share	–	–	(0.01)	(0.01)
Weighted average number of common shares outstanding	38,845,480	29,885,950	38,829,356	15,094,140

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

Consolidated statements of cash flows
(Expressed in Canadian dollars)
(unaudited)

	Three Months Ended January 31, 2011 \$	Three Months Ended January 31, 2010 \$	Nine Months Ended January 31, 2011 \$	Nine Months Ended January 31, 2010 \$
Operating Activities				
Net loss for the period	(159,894)	(75,043)	(249,742)	(147,248)
Items not involving cash:				
Accretion of discount on convertible debenture	34,664	6,420	34,664	6,420
Gain on settlement of debt	(31,581)	–	(31,581)	–
Shares issued for financing costs	–	16,575	–	16,575
Changes in non-cash working capital items:				
Amounts receivable	(9,019)	1,343	(10,134)	(3,259)
Prepaid expenses	1,250	(7,500)	3,968	(7,500)
Accounts payable and accrued liabilities	62,180	(110,672)	71,271	(62,015)
	(102,400)	(168,877)	(181,554)	(197,027)
Investing Activities				
Mineral property expenditures	(103,165)	(28,327)	(113,973)	(100,533)
	(103,165)	(28,327)	(113,973)	(100,533)
Financing Activities				
Repayment of shareholders' loans	22,681	(307,342)	(80,000)	(276,018)
Proceeds from convertible debenture	–	255,000	–	255,000
Proceeds from loans payable	–	–	–	34,494
Repayment of loans payable	–	(30,466)	–	(30,466)
Proceeds from issuance of common shares	2,000	695,000	4,500	755,000
Share issuance costs	–	–	–	(6,000)
	24,681	612,192	(75,500)	732,010
Increase (decrease) in cash and cash equivalents	(180,884)	414,988	(371,027)	434,450
Cash and cash equivalents, beginning of period	193,340	22,583	383,483	3,121
Cash and cash equivalents, end of period	12,456	437,571	12,456	437,571
Non-cash investing and financing activities:				
Discount on convertible debenture recorded as equity	–	231,092	–	231,092
Supplemental disclosures:				
Interest paid	–	–	–	–
Income taxes paid	–	–	–	–

(The accompanying notes are an integral part of these consolidated financial statements)

FIREBIRD RESOURCES INC.

(formerly Falcon Ventures International Inc.)

Notes to the consolidated financial statements

January 31, 2011

(Expressed in Canadian dollars)

(unaudited)

1. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

Firebird Resources Inc. (the "Company") was incorporated under the Canada Business Corporations Act and is listed on the TSX Venture Exchange. The Company is an exploration stage company that is in the process of exploring its mineral properties located in Canada and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete explorations and development and future profitable production from the properties.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at January 31, 2011, the Company has not generated any revenues from operations, has a working capital deficit of \$114,001, and has an accumulated deficit of \$11,606,716. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The consolidated financial statements of the Company are prepared in accordance with Canadian generally accepted accounting principles. These consolidated financial statements include the accounts of the Company and its' inactive wholly-owned subsidiaries, Falcon Ventures (US) Corp. and K.K. Tan International Inc. All inter-company balances and transactions have been eliminated.

(b) Interim Financial Statements

These interim unaudited financial statements have been prepared on the same basis as the annual financial statements and in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods shown. The results of operations for such periods are not necessarily indicative of the results expected for a full year or for any future period.

(c) Use of estimates

The preparation of the consolidated financial statements in conformity with Canadian generally accepted accounting principles requires the Company's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the related notes to the consolidated financial statements. Significant consolidated financial statement items which involve the use of estimates includes the recoverability of mineral property costs, valuation of the equity component of the convertible debenture, and future income tax asset valuation allowances. Actual results could differ from those estimates.

(d) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance to be cash equivalents.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Mineral Properties

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition and exploration of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold, or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production.

The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property.

(f) Asset Retirement Obligations

The Company follows CICA Handbook Section 3110, "Asset Retirement Obligations", which established standards for asset retirement obligations and the associated retirement costs related to site reclamation and abandonment. The fair value of the liability for an asset retirement obligation is recorded when it is incurred and the corresponding increase to the asset is depreciated over the life of the asset. The liability is increased over time to reflect an accretion element considered in the initial measurement at fair value.

(g) Flow-through Shares

The Company follows the recommendations of Emerging Issue Committee Abstract No. 146, "Flow-through Shares", which is effective for all flow-through share transactions. Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. When resource expenditures are renounced to the investors and the Company has reasonable assurance that the expenditures will be completed, a future income tax liability is recognized and share capital is reduced. If the Company has sufficient unused tax losses carried forward or other future income tax assets to offset all or part of this future income tax liability and no future income tax assets have been previously recognized for these items, a portion of such unrecognized losses is recorded as income up to the amount of the future income tax liability that was previously recognized on the renounced expenditures.

(h) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at exchange rates in effect at the consolidated balance sheet date. Non-monetary assets and liabilities are translated at transaction date rates. Revenue and expenses are translated at average rates for the period. Foreign exchange gains and losses are included in the results of operations.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Loss Per Share

Basic loss per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted loss per share. Stock options, share purchase warrants, and other equity instruments are dilutive when the average market price of the common shares during the period exceeds the exercise price of the options, warrants and other equity instruments. As the Company has recorded a loss in each of the periods presented, basic and diluted loss per share are the same since the exercise of warrants or options would reduce the loss per share.

(j) Comprehensive Loss

Section 1530 establishes standards for the reporting and display of comprehensive income. The Company's does not have any items representing comprehensive income or loss.

(k) Stock-based Compensation

The Company recognizes stock-based compensation expense in accordance with CICA Handbook Section 3870, "Stock-Based Compensation and Other Stock-Based Payments". When stock or stock options are issued to employees, compensation expense is recognized based on the fair value of the stock or stock options issued on the date of grant, over the vesting period of the stock or stock options. Stock-based payments to non-employees are measured at the fair value of the consideration received, or the fair value of the equity instruments issued, or liabilities incurred, whichever is more reliably measurable. The fair value of stock-based payments to non-employees is periodically re-measured until counterparty performance is complete, and any change therein is recognized over the period and in the same manner as if the Company had paid cash instead of paying with or using equity instruments. The cost of stock-based payments to non-employees that are fully vested and non-forfeitable at the grant date is measured and recognized at that date. On the exercise of stock options, share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus

(l) Future Changes in Accounting Standards

In August 2009, the Accounting Standards Board ("AcSB") issued CICA Handbook Section 1625, "Comprehensive Revaluation of Assets and Liabilities" for consistency with new Section 1582, "Business Combinations". The amendments apply prospectively to comprehensive revaluations of assets and liabilities occurring in fiscal years beginning on or after January 1, 2011. The adoption of this section is not expected to have a material impact on the Company's consolidated financial statements.

In August 2009, AcSB issued CICA Handbook Section 3251, "Equity" in response to issuing Section 1602, "Non-controlling Interests". The amendments require non-controlling interests to be recognized as a separate component of equity. The amendments apply only to entities that have adopted Section 1602. The adoption of this section is not expected to have a material impact on the Company's consolidated financial statements.

In January 2009, the AcSB issued CICA Handbook Sections 1582, "Business Combinations", 1601, "Consolidated Financial Statements" and 1602, "Non-controlling Interests" which replace CICA Handbook Sections 1581, "Business Combinations" and 1600, "Consolidated Financial Statements". Section 1582 establishes standards for the accounting for business combinations that is equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations with acquisition dates on or after May 1, 2011. Early adoption of this section is permitted. Section 1601 together with Section 1602 establishes standards for the preparation of consolidated financial statements. Section 1601 is applicable for the Company's interim and annual consolidated financial statements for its fiscal year beginning May 1, 2011. Early adoption of this section is permitted and all three sections must be adopted concurrently.

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Future Changes in Accounting Standards (continued)

In February 2008, the AcSB confirmed that public companies will be required to prepare interim and annual financial statements under International Financial Reporting Standards (“IFRS”) for fiscal years beginning on or after January 1, 2011. The transition date of May 1, 2011 will require the restatement for comparative purposes of amounts reported by the Company for the year ended April 30, 2011. Management has assessed the impact of adopting IFRS and it does not expect a material effect on the Company’s consolidated financial statements.

(m) Comparative Figures

Certain comparative figures have been reclassified to conform to current period’s presentation.

3. MINERAL PROPERTIES

	Rose Property, Ontario \$	Turnbull Property, Ontario \$	Buzzard- Jefferson-Belk Properties \$	Total \$
<i>Acquisition costs:</i>				
Balance, April 30, 2010	212,000	–	–	212,000
Option payments	12,000	–	74,932	86,932
Balance, January 31, 2011	224,000	–	74,932	298,932
<i>Exploration costs:</i>				
Balance, April 30, 2010	166,228	–	–	166,228
Drilling	–	–	25,233	25,233
Filing fees	–	1,808	–	1,808
Balance, January 31, 2011	166,228	1,808	25,233	193,269
	390,228	1,808	100,165	492,201

(a) Rose Property, Ontario

Pursuant to a mineral property option agreement dated January 20, 2005, the Company was granted an option to acquire a 100% undivided interest in 42 claims located in the Sudbury area of Ontario. In order to keep the option granted to the Company in good standing, the Company is obligated to:

- iii) issue 40,000 common shares (issued) and pay \$27,000 (paid) by January 14, 2005;
- iv) issue 45,000 common shares (issued) and pay \$30,000 (paid) by January 28, 2006;
- v) issue 45,000 common shares (issued), pay \$35,000 (paid), and incur exploration costs of not less than \$80,000 by January 28, 2007;
- vi) issue 45,000 common shares (issued), pay \$40,000 (paid), and incur additional exploration costs of not less than \$100,000 by January 28, 2008; and
- vii) issue 50,000 common shares and pay \$40,000 by January 28, 2009.

As at January 28, 2008, the Company did not incur exploration costs greater than \$100,000 as required by the option agreement. The option holder was aware of the breach of the terms of the option agreement and has waived this requirement in exchange for an alternative agreement where the Company is required to incur additional exploration costs of not less than \$70,000 prior to October 31, 2010 (incurred).

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3. MINERAL PROPERTIES (continued)

(a) Rose Property, Ontario (continued)

As at January 28, 2009, the Company did not meet its commitment to issue 50,000 common shares and pay \$40,000 as part of the option agreement. On February 9, 2009, the 50,000 shares were issued with a fair value of \$1,500 and paid \$10,000. Subsequent to April 30, 2009, the Company paid the remaining obligation of \$30,000.

Upon commencement of commercial production on the property, the Company will pay a royalty payment of \$0.20 per pound of uranium produced and sold from the property to the option holder. The Company has the option and right to purchase and cancel the royalty payment at anytime in exchange for \$1,200,000. In 2005, the Company staked 62 adjacent claims to the Rose Property, and these additional claims are not subject to the royalty payment on the uranium produced and sold from the property.

The Company is required to pay all taxes, levies, and other expenditures as may be required in order to maintain the property in good standing with the applicable regulatory bodies.

(b) Turnbull Property, Ontario

Pursuant to a mineral property option agreement dated May 4, 2005, the Company was granted an option to acquire a 100% undivided interest in two claims in the Turnbull area of Ontario. In order to keep the option granted to the Company in good standing, the Company was obligated to:

- iv) issue 50,000 common shares on regulatory approval of the agreement;
- v) issue 50,000 common shares by May 4, 2006; and
- vi) issue 100,000 common shares by May 4, 2007.

Upon completion of the above share issuances, the Company earned a 100% interest in the property, subject to retention by the vendor of a 1% net smelter royalty if the Company commences commercial production on the claims. The Company has the option and right to purchase and cancel 100% of the net smelter royalty at any time for \$1,000,000.

(c) Buzzard-Jefferson-Belk Properties, South Carolina, USA

Pursuant to a mineral property option agreement dated June 24, 2010 (as amended on June 28, 2010 and February 4, 2011), the Company was granted an option to acquire a 70% interest in certain claims located in the State of South Carolina, USA.

To earn a 70% interest, the Company must:

- make a payment of \$4,800,000 in common shares on or before July 31, 2011. The number of shares issuable will be determined by dividing the five day volume weighted average closing price of the Company's shares on the five trading days immediately preceding the payment date;
- make a payments totaling \$700,000, with \$200,000 to be paid on or before March 31, 2011 and \$500,000 to be paid on or before May 31, 2011; and
- incur exploration expenditures totaling \$495,000 by July 31, 2011;

To earn the remaining 30% interest, the Company must

- make an additional payment \$1,800,000 on or before July 31, 2012; and
- incur additional exploration expenditures of \$1,000,000 or such lesser amount as may be recommended in a National Instrument 43-101 compliant report by July 31, 2012.

In addition, the Company agreed to reimburse the optionor up to a maximum of \$122,000 on or before July 31, 2011 as follows: (a) \$22,000 for costs incurred by the optionor related to the preparation of a technical report and (b) \$100,000 for past exploration or development expenditures incurred by the optionor on the properties.

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4. ADVANCES FROM SHAREHOLDERS

As at January 31, 2011 the advances from shareholders in the amount of \$15,000 (April 30, 2010 - \$126,581) are unsecured, non-interest bearing, and due on demand. On June 1, 2010, the Company settled \$75,162 of debt with a payment of \$43,581 resulting in a gain on settlement of debt of \$31,581.

5. CONVERTIBLE DEBENTURE

On December 10, 2009, the Company completed a convertible debenture financing for proceeds of \$255,000. The convertible debenture is unsecured and bears interest at 10% per annum payable annually in arrears. The debenture has a five year term plus one day and is convertible into common shares of the Company at \$0.05 per common share, at the holder's option, for the duration of the term. The debenture holder was issued 5,100,000 detachable common share purchase warrants exercisable at \$0.05 per share for a period of five years. In connection with this financing, the Company issued 510,000 units with a fair value of \$16,575 as finder's fees. Each unit consisted of one common share and one common share purchase warrant exercisable at \$0.05 per share for a period of five years.

Pursuant to CICA Handbook Section 3863, "Financial Instruments – Presentation", the Company split the proceeds of the convertible debenture between debt and equity, based on the relative fair values of the debt, conversion option, and warrants. The amount attributable to the debt was \$23,908 and the amount attributable to the conversion option and warrants was \$231,092. This amount represented a deemed discount on the debt issuance, and accordingly is being accreted in the statement of operations on a straight-line basis over the five year term of the debt.

The fair values of the conversion option and the warrants were estimated using the Black-Scholes option pricing model assuming volatility of 100%, expected life of five years, risk-free rate of 2.42%, and no expected dividends.

6. RELATED PARTY TRANSACTIONS

- (a) During the nine months ended January 31, 2011, the Company incurred management fees of \$18,000 (2010 - \$6,000) to a director of the Company.
- (b) During the nine months ended January 31, 2011, the Company incurred management fees of \$nil (2010 - \$22,500) to two former directors of the Company.
- (c) During the nine months ended January 31, 2011, the Company incurred rent of \$nil (2010 - \$6,450) to a director of the Company.
- (d) During the nine months ended January 31, 2011, the Company incurred accounting fees of \$nil (2010 - \$5,000) to the Chief Financial Officer of the Company.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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7. SHARE CAPITAL

Authorized: unlimited number of common shares without par value

	Number of common shares	\$
Balance, April 30, 2010	38,790,842	11,524,555
Shares issued pursuant to the exercise of share purchase warrants	90,000	4,500
Balance, January 31, 2011	38,880,842	11,529,055

(a) During the nine months ended January 31, 2011, the Company received proceeds of \$4,500 pursuant to the exercise of share purchase warrants.

(b) On December 24, 2010, the Company effected a 1-for-2 reverse stock split of the issue and outstanding common shares. All share amounts have been retroactively adjusted for all periods presented.

8. SHARE PURCHASE WARRANTS

The following table summarizes the continuity of share purchase warrants:

	Number of warrants	Weighted average exercise price \$
Balance, April 30, 2010	36,610,000	0.04
Exercised	90,000	0.05
Balance, January 31, 2011	36,520,000	0.06

As at January 31, 2010, the following share purchase warrants were outstanding:

Number of warrants outstanding	Exercise price \$	Expiry date
2,400,000	0.25	September 29, 2014
22,000,000	0.05	November 13, 2014
5,610,000	0.05	December 10, 2014
6,510,000	0.05	January 14, 2015
36,520,000		

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9. FINANCIAL INSTRUMENTS AND RISKS

(a) Fair Values

As at January 31, 2011, the fair value of financial instruments measured on a recurring basis includes cash determined based on level one inputs, consisting of quoted prices in active markets for identical assets.

The fair values of other financial instruments, which include amounts receivable, accounts payable and accrued liabilities, and advances from shareholders, approximate their carrying values due to the relatively short-term maturity of these instruments. The fair value of the convertible debenture is estimated to approximate its carrying value based on borrowing rates currently available to the Company for a loan with similar terms.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

The Company is not exposed to any significant foreign exchange rate risk.

(d) Interest Rate Risk

The Company's cash contain highly liquid investments that earn interest at market rates. The Company manages its interest rate risk by maximizing the interest earned on excess funds while maintaining the liquidity necessary to fund daily operations. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short term to maturity of the investments held.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

10. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and items included in shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended April 30, 2010.

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11. SUBSEQUENT EVENTS

- (a) On February 4, 2011, the Company issued 1,420,000 common shares for proceeds of \$71,000 pursuant to the exercise of share purchase warrants.

On February 4, 2011, the Company completed the share issuance portion of its option to acquire a 70% interest in certain mineral leases covering the Buzzard-Jefferson-Belk properties located in South Carolina, USA. The Company issued 9,056,603 common shares with a fair value of \$4,800,000.

- (b) On March 23, 2011, the Company entered into an investor relations agreement and agreed to pay \$7,500 per month plus reasonable out-of-pocket expenses for a period of one year. The consultant was also granted 500,000 stock options exercisable at \$0.60 expiring on December 31, 2013.
- (c) On March 25, 2011, the Company granted 4,000,000 stock options officers, directors, and consultants at an exercise price of \$0.60 per share expiring on December 31, 2013.

SCHEDULE "J"

FIREBIRD RESOURCES INC.

DIRECTORS, MANAGEMENT, CONSULTANT AND EMPLOYEES

STOCK OPTION PLAN

Firebird Resources Inc. (the "Corporation"), by a resolution of its Board of Directors, has established a Directors, Management, Consultants and Employees Stock Option Plan (the "Plan") pursuant to which eligible persons may be granted options ("Options") to purchase from treasury fully paid and non-assessable shares in the capital stock of the Corporation on the terms and conditions set out in the Plan.

The terms and conditions of the Plan are as follows:

1. The Corporation will set aside and make available for Options granted under the Plan a number of Common Shares equal to TEN (10%) PERCENT of the total issued and outstanding common shares of the Corporation (on a non-diluted basis) from time to time, provided that where the Corporation is proposing to list its Common Shares on a stock exchange in conjunction with a public offering of Common Shares then, if permitted by the rules of such stock exchange, the number of Common Shares made available under the Plan shall be calculated on a diluted basis, taking into account the number of Common Shares to be issued pursuant to such public offering.
2. The persons eligible to be granted Options under the Plan are directors, officers, consultants or employees of the Corporation or of any of its affiliates who the directors of the Corporation, in their discretion, determine by resolution to grant an Option to and that, with respect to consultants and employees, the Corporation represents is a bona fide consultant or employee, as the case may be, of the Corporation (such persons being herein called "Optionees").
3. The directors of the Corporation may, by resolution, determine to grant an Option to an Optionee and may determine the number of shares subject to that Option and the exercise price per common share under the Option, provided that:
 - (a) no Optionee shall be granted an Option to acquire a number of Common Shares which, together with any other outstanding Options granted to that Optionee under the Plan and any shares issued to such Optionee upon the exercise of Options in the previous 12 month period, exceeds FIVE (5%) PERCENT of the total issued and outstanding shares of the Corporation (on a non-diluted basis) from time to time;
 - (b) the total number of common shares subject to Options under the plan shall not exceed the number available pursuant to paragraph 1 hereof;
 - (c) The exercise price per common share under the Option shall be not less than such minimum price prescribed by the policies of the Exchange (as hereinafter defined);

- (d) if the Optionee is an Insider of the Corporation, then any reduction in the exercise price per Common Share under an Option shall be subject to obtaining disinterested shareholder approval;
 - (e) The number of shares subject to Options, whether exercised or not, granted to insiders of the Corporation within any 12 month period shall not exceed TEN (10%) PERCENT of the total issued and outstanding shares of the Corporation (on a non-diluted basis);
 - (f) The number of shares subject to Options, whether exercised or not, granted to consultants or employees of the Corporation performing Investor Relations Activities (as such term is defined in the policies of the Exchange), as a group, within any 12 month period shall not exceed TWO (2%) PERCENT of the total issued and outstanding shares of the Corporation (on a non-diluted basis); and
 - (g) Options granted to consultants or employees of the Corporation performing Investor Relations Activities (as such term is defined in the policies of the Exchange) shall be subject to vesting such that the Option shall vest over not less than 12 months, with no more than 25% of such Option vesting in any three month period.
4. The directors of the Corporation may, by resolution, determine the time during which any Option may be exercised (the "Exercise Period"), provided that:
- (a) The Exercise Period shall not exceed five years from the date that the Option is granted; and
 - (b) Subject to paragraph 5, the Option may only be exercised while the Optionee is a director, officer, consultant or employee, as the case may be, of the Corporation or an affiliate of the Corporation.
5. (a) If an Optionee ceases to be a director, officer, consultant or employee, as the case may be, of the Corporation or an affiliate of the Corporation, for any reason other than death, then the Optionee may be permitted to exercise the unexercised portion of the Option for a period of up to no more that NINETY (90) DAYS after ceasing to be a director, officer, consultant or employee, as the case may be, of the Corporation or an affiliate of the Corporation or such lesser time that may be provided for by the directors of the Corporation.
- (b) Notwithstanding subparagraph 5(a) above, if an Optionee is engaged in Investor Relations Activities (as such term is defined in the policies of the Exchange), then if such Optionee ceases to be a director, officer, consultant or employee, as the case may be, of the Corporation or an affiliate of the Corporation, for any reason other than death, then the Optionee may be permitted to exercise the unexercised portion of the Option for a period of up to no more that THIRTY (30) DAYS after ceasing to be a director, officer, consultant or employee, as the case may be, of the

Corporation or an affiliate of the Corporation or such lesser time that may be provided for by the directors of the Corporation.

- (c) If an Optionee ceases to be an officer, director, consultant or employee, as the case may be, of the Corporation or an affiliate of the Corporation by reason of death, then the unexercised portion of the Option may be exercised by the executor or administrator of the estate of the Optionee for a period not to exceed ONE (1) YEAR after such death, or such lesser time that may be provided for by the directors of the Corporation.

6. Unless the directors of the Corporation determine otherwise, the Options to be granted hereunder shall be exercisable either in whole or in part, or in several parts.

7. At the time of granting an Option under the Plan the directors of the Corporation may attach any conditions to that Option that they, in their discretion, determine to so attach.

8. To exercise an Option the Optionee shall be required to provide to the Corporation written notice of such exercise, specifying the number of Common Shares with respect to which the Option is being exercised, together with payment by certified cheque payable to the Corporation for the amount payable for such Common Shares (namely, the exercise price per share times the number of Common Shares which are the subject of such exercise).

9. If the Corporation carries out a subdivision, consolidation, or dividend of its Common Shares, then the number of Common Shares subject to any Option and the exercise price therefor shall be adjusted appropriately.

10. The Optionees may not assign or transfer all or any part of any rights under an Option.

11. The Common Shares acquired pursuant to the exercise of an Option shall be subject to such hold periods that may be imposed or required by law or by the policies of the Exchange.

12. The Plan, and any Options granted thereunder, are subject to the applicable rules of any stock exchange (the "Exchange") upon which the Corporation's common shares are listed and shall be conditional upon such approvals or consents as may be required from any regulatory authority or stock exchange having jurisdiction.

13. The Plan shall be governed and construed in accordance with the laws of the Province of Alberta.

14. The grant of any Option under the Plan shall be effected by the Corporation and the Optionee entering into an option agreement in a form approved by the directors of the Corporation.

15. The directors of the Corporation shall have the right to amend, modify or terminate the Plan at any time as they, in their discretion, determine, provided that no such amendment, modification or termination shall affect any Options then outstanding.

16. Any options to purchase Common Shares of the Corporation granted to directors, officers, consultants or employees of the Corporation or any of its affiliates in their capacity as such, which are outstanding as at the date of the Plan shall, for all purposes, be considered to be Options granted pursuant to the Plan.

SCHEDULE "K"

FIREBIRD RESOURCES INC.

AUDIT COMMITTEE CHARTER

GENERAL

The purpose of this document is to establish the terms of reference of the Audit Committee for Firebird Resources Inc. (the "Company").

It is critical that the external audit function, a mechanism key to investor protection, is working effectively and efficiently and that information is being relayed to the Board of Directors in an accurate and timely fashion. The activities of the Audit Committee are fundamental to the process.

STATUTORY REFERENCE

The Board of Directors of the Company shall elect annually from members of the Board of Directors, an Audit Committee which shall be composed of not less than three members, a majority of which are not officers or employees of the Company or any of its affiliates.

Each member of the Audit Committee shall serve during the pleasure of the Board of Directors and in any event, only so long as he or she shall be a Director. The Directors may fill vacancies in the Audit Committee by election from among their number.

The Audit Committee shall have the power to fix its quorum at no less than a majority of its members and to determine its own rules of procedure subject to any regulation imposed by the Board of Directors from time to time.

The auditors of the Company will be entitled to receive notice of every meeting of the Audit Committee and, at the expense of the Company, to attend and be heard thereafter, and if so requested by a member of the Audit Committee, shall attend every meeting of the Committee held during the term of the office of the Auditor. The auditor of the Company or any member of the Audit Committee may call a meeting of the Committee.

The Audit Committee shall review the financial statements of the Company prior to the approval thereof by the Board of Directors and shall have such other powers and duties as may from time to time by resolution be assigned to it by the Board.

PURPOSE

Responsibility for the development and maintenance of the Company systems for financial reporting, accounting for transactions and internal controls lies with senior management with oversight responsibilities vesting in the Board of Directors. The Audit Committee is a permanent committee of the Board whose purpose is to assist the Board by dealing with specific issues that may affect financial reporting to the shareholders, accounting and internal controls.

ANNUAL REPORTING

The Audit Committee shall review the annual financial statements, prepared for distribution to the shareholders. The Audit Committee should discuss with management the appropriateness of accounting policies selected by the Company, the use and effect of judgment on accounting measurements and the adequacy of accruals and estimate used by management in completing the annual financial statements. Upon satisfactory completion of the review procedure, the Audit Committee will recommend to the Board of Directors that the Board approve the annual financial statements.

The Audit Committee should review other financial information included in the Company's Annual Report to ensure that it is consistent with the Board of Directors knowledge of the affairs of the Company and is unbiased and nonselective.

The Audit Committee should review the Annual Information Form and the Management Discussion and Analysis Component of the Annual Report.

The Audit Committee should review planning for, and the results of, the annual external audit, including, but not necessarily limited to, specifically the following:

- (a) The auditor's engagement letter as agreed between the auditor and financial management of the Company.
- (b) The reasonableness of audit fees as agreed between the auditor and corporate management.
- (c) Audit scope, including locations to be visited, area of audit risk, and materiality as it affects audit judgment timetable, deadlines, and coordination with internal audit.
- (d) The audit report to the Company shareholders and any other reports prepared by the auditors.
- (e) The informal reporting from the auditors on accounting systems and internal controls, including management's response.
- (f) Non-audit related services provided by the auditor.
- (g) Assessment of the auditor's performance.
- (h) Recommendation with respect to the auditor's appointment or re-appointment.
- (i) Hold in camera meeting with representatives of the auditors to discuss the audit related issues including the quality of accounting personnel.

INTERIM REPORTING

When unaudited interim financial statements are issued, for example, quarterly reports and financial statements required for inclusion in public offering documents, the Chief Financial Officer of the Company will provide a copy of the interim financial statement to the Audit Committee and will formally advise the Audit Committee that the interim financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied. The Chief Financial Officer is obliged to draw to the attention of the Audit Committee any other matters relating to such interim financial statement of the Committee should be aware of. Similarly the Auditor has an obligation to advise the Audit Committee of any issues which the Auditor believes merit the Committee's attention identified during the course of application of auditing procedures relating to any comfort level to be issued by the Auditor.

REPORTING ARRANGEMENTS

The Audit Committee, through the Chairman or Minutes of the Audit Committee's meetings, should report to the Board of Directors following each meeting of the Audit Committee. The report should review the nature of discussions and the major decisions reached by the Audit Committee. The Audit Committee shall refer to the Audit Committee's terms of reference as required and propose changes to the Board.

GENERAL

The Audit Committee clearly places the onus of reporting items that may be of concern to the Audit Committee with corporate management and representatives of the Audit firm as the case may be.

SCHEDULE "L"

GTO RESOURCES INC.

AUDIT COMMITTEE CHARTER

GENERAL

The purpose of this document is to establish the terms of reference of the Audit Committee for GTO Resources Inc. (the "Company").

It is critical that the external audit function, a mechanism key to investor protection, is working effectively and efficiently and that information is being relayed to the Board of Directors in an accurate and timely fashion. The activities of the Audit Committee are fundamental to the process.

STATUTORY REFERENCE

The Board of Directors of the Company shall elect annually from members of the Board of Directors, an Audit Committee which shall be composed of not less than three members, a majority of which are not officers or employees of the Company or any of its affiliates.

Each member of the Audit Committee shall serve during the pleasure of the Board of Directors and in any event, only so long as he or she shall be a Director. The Directors may fill vacancies in the Audit Committee by election from among their number.

The Audit Committee shall have the power to fix its quorum at no less than a majority of its members and to determine its own rules of procedure subject to any regulation imposed by the Board of Directors from time to time.

The auditors of the Company will be entitled to receive notice of every meeting of the Audit Committee and, at the expense of the Company, to attend and be heard thereafter, and if so requested by a member of the Audit Committee, shall attend every meeting of the Committee held during the term of the office of the Auditor. The auditor of the Company or any member of the Audit Committee may call a meeting of the Committee.

The Audit Committee shall review the financial statements of the Company prior to the approval thereof by the Board of Directors and shall have such other powers and duties as may from time to time by resolution be assigned to it by the Board.

PURPOSE

Responsibility for the development and maintenance of the Company systems for financial reporting, accounting for transactions and internal controls lies with senior management with oversight responsibilities vesting in the Board of Directors. The Audit Committee is a permanent committee of the Board whose purpose is to assist the Board by dealing with specific issues that may affect financial reporting to the shareholders, accounting and internal controls.

ANNUAL REPORTING

The Audit Committee shall review the annual financial statements, prepared for distribution to the shareholders. The Audit Committee should discuss with management the appropriateness of accounting policies selected by the Company, the use and effect of judgment on accounting measurements and the adequacy of accruals and estimate used by management in completing the annual financial statements. Upon satisfactory completion of the review procedure, the Audit Committee will recommend to the Board of Directors that the Board approve the annual financial statements.

The Audit Committee should review other financial information included in the Company's Annual Report to ensure that it is consistent with the Board of Directors knowledge of the affairs of the Company and is unbiased and nonselective.

The Audit Committee should review the Annual Information Form and the Management Discussion and Analysis Component of the Annual Report.

The Audit Committee should review planning for, and the results of, the annual external audit, including, but not necessarily limited to, specifically the following:

- (a) The auditor's engagement letter as agreed between the auditor and financial management of the Company.
- (b) The reasonableness of audit fees as agreed between the auditor and corporate management.
- (c) Audit scope, including locations to be visited, area of audit risk, and materiality as it affects audit judgment timetable, deadlines, and coordination with internal audit.
- (d) The audit report to the Company shareholders and any other reports prepared by the auditors.
- (e) The informal reporting from the auditors on accounting systems and internal controls, including management's response.
- (f) Non-audit related services provided by the auditor.
- (g) Assessment of the auditor's performance.
- (h) Recommendation with respect to the auditor's appointment or re-appointment.
- (i) Hold in camera meeting with representatives of the auditors to discuss the audit related issues including the quality of accounting personnel.

INTERIM REPORTING

When unaudited interim financial statements are issued, for example, quarterly reports and financial statements required for inclusion in public offering documents, the Chief Financial Officer of the Company will provide a copy of the interim financial statement to the Audit Committee and will formally advise the Audit Committee that the interim financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied. The Chief Financial Officer is obliged to draw to the attention of the Audit Committee any other matters relating to such interim financial statement of the Committee should be aware of. Similarly the Auditor has an obligation to advise the Audit Committee of any issues which the Auditor believes merit the Committee's attention identified during the course of application of auditing procedures relating to any comfort level to be issued by the Auditor.

REPORTING ARRANGEMENTS

The Audit Committee, through the Chairman or Minutes of the Audit Committee's meetings, should report to the Board of Directors following each meeting of the Audit Committee. The report should review the nature of discussions and the major decisions reached by the Audit Committee. The Audit Committee shall refer to the Audit Committee's terms of reference as required and propose changes to the Board.

GENERAL

The Audit Committee clearly places the onus of reporting items that may be of concern to the Audit Committee with corporate management and representatives of the Audit firm as the case may be.

SCHEDULE "M"
CHANGE OF AUDITOR REPORTING PACKAGE

(Please see attached.)

**Notice of Change of Auditor
Pursuant to National Instrument 51-102
Continuous Disclosure Obligations**

TO: ALBERTA SECURITIES COMMISSION
AND TO: BRITISH COLUMBIA SECURITIES COMMISSION
AND TO: STOUT & COMPANY LLP
AND TO: SATURNA GROUP CHARTERED ACCOUNTANTS LLP

NOTICE IS HEREBY GIVEN by Firebird Resources Inc. (the "Company") that:

A. The Company has received notice from Stout & Company LLP, Chartered Accountants, its auditors, of their resignation at the request of the Company. The effective date of such resignation is June 7, 2010.

B. The resignation of Stout & Company LLP, Chartered Accountants as auditors of the Company and the appointment of Saturna Group Chartered Accountants LLP as successor auditor was considered and approved by the Company's audit committee and the board of directors.

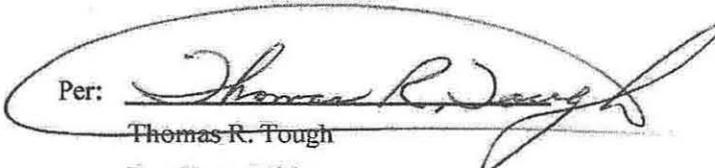
C. There have been no reservations in the reports of Stout & Company LLP, Chartered Accountants on the Company's financial statements for the period commencing at the beginning of the Company's most recently completed financial year and ending on the date of Stout & Company LLP, Chartered Accountant's resignation as auditor of the Company.

D. There have been no reportable events or unresolved issues.

Dated at the City of Vancouver, in the Province of British Columbia, this 7th day of June, 2010.

Firebird Resources Inc.

Per:


Thomas R. Tough

President & Director



June 14, 2010

The Alberta Securities Commission
4th Floor, 300 - 5 Avenue SW
Calgary, Alberta T2P 3C4

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2

Firebird Resources Inc.
6012 – 85 Avenue
Edmonton, AB T6B 0J5

Dear Sirs/Mesdames:

**RE: NOTICE OF CHANGE OF AUDITOR
FIREBIRD RESOURCES INC. (THE "CORPORATION")**

We have resigned as auditors of the corporation effective June 7, 2010. We have been advised that the accounting firm of Saturna Group Chartered Accountants LLP were appointed auditors. We have reviewed the notice of change of auditors dated June 7, 2010 (the "notice") from the corporation delivered to us pursuant to National Instrument 51-102 Continuous Disclosure Obligations. Based on knowledge as at the date hereof we hereby confirm our agreement with point A and point B. In regards to point C, there have been no reservations in our auditors' report for the years ended April 30, 2009 and April 30, 2008. We have not issued any reports subsequent to our report dated August 28, 2009 relating to the April 30, 2009 and April 30, 2008 year ends. In regards to point D, there have been no reportable events as defined in National Instrument 51-102.

Yours very truly;

STOUT & COMPANY LLP

Chartered Accountants
Edmonton, Alberta

JPS/lm

July 7, 2010

British Columbia Securities Commission
9th Floor, 701 West Georgia Street
Vancouver, BC V7Y 1L2

TSX Venture Exchange
2700-650 West Georgia Street
Vancouver, BC V6B 4N9

Alberta Securities Commission
Suite 400, 300 5th Avenue SW
Calgary, AB T2P 3C4

Dear Sirs:

**Re: Firebird Resources Inc. (the "Company")
Notice of Change of Auditor**

We have read the statements made by the Company in the attached copy of the Change of Auditor Notice dated June 7, 2010, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the Change of Auditor Notice dated June 7, 2010 except that we have no basis to agree or disagree with the following statement: there are no reportable events (as defined in 7(e) of National Instrument 51-102).

Yours truly,

SATURNA GROUP CHARTERED ACCOUNTANTS LLP



cc. Firebird Resources Inc.

SCHEDULE "N"

PROPERTY CLAIMS LISTS

THE RCU PROPERTY

The following are the mineral claims comprising the RCU Property:

Township or Areas	Claim Number	Claim Recording Date	Claim Due Date	Status	No. of Units
Creelman	3014453	Feb 3, 2005	Aug 3, 2011	Active	8
Creelman	3016125	Dec 23, 2004	Jun 23, 2011	Active	10
Roberts	3014452	Feb 3, 2005	Feb 3, 2012	Active	16
TOTALS	3 Claims				

The RCU Property claim block forms an irregular block about 4 kilometres long east-west and 2 kilometres wide north-south with the claims held in the name of Firebird Resources Inc. (100%). Under the *Ontario Mining Act*, the staking of a mining claim does not confer title, it only gives the claim holder certain rights to enter onto the land and carry out exploration and other activities subject to certain conditions as specified in the *Ontario Mining Act*. To maintain a mining claim in Ontario in good standing an exploration expenditure of \$400 per unit is required on or before 2 years from the date of recording and in each subsequent year.

THE HPU PROPERTY

The following are the mineral claims comprising the HPU Property, which is situated in the Sudbury Mining Division of Ontario:

Township or Areas	Claim Number	Claim Recording Date	Claim Due Date	Status	No. of Units
Hyman	3016027	Dec 23, 2004	Jun 23, 2011	Active	16
Hyman	3016128	Dec 23, 2004	Jun 23, 2011	Active	16
Porter	4203204	Feb 3, 2005	Aug 3, 2011	Active	8
Porter	4203205	Feb 3, 2005	Aug 3, 2011	Active	15
Porter	4203206	Feb 3, 2005	Aug 3, 2011	Active	15
TOTALS	5 Claims				70

THE MOUNTAIN OF GOLD PROPERTY

The following are the mineral claims comprising the Mountain of Gold Property, which is situated in the Sudbury Mining Division of Ontario:

Township or Areas	Claim Number	Claim Recording Date	Claim Due Date	Status	No. of Units
Turnbull	1207720	May 8, 1996	May 8, 2012	Active	2
Turnbull	4246022	Oct 16, 2008	Oct 16, 2012	Active	1
TOTALS	2 Claims				3

THE BUZZARD PROPERTY

The Buzzard Property consists of Firebird's leases in Lancaster and Chesterfield Counties, South Carolina held by Optioner, pursuant to an agreement between Optioner and the Company dated July 1, 2010. The following are the leases comprising the Buzzard Property:

Acres	County	Signing date	Tax Map Number, Referencing Metes and Bounds Survey and Plat Recorded at County Courthouse
68.83	Lancaster	1-Sep-08	115-00-009.02
18	Lancaster	29-Jul-09	115-00-009.02
27	Lancaster	29-Jul-09	0118-00-018
44.5	Chesterfield	15-Sep-09	027-000-000-001
95.5	Chesterfield	15-Sep-09	027-000-000-008
19.0	Lancaster	21- may-10	0116-00-018

THE JEFFERSON PROPERTY

The Jefferson Property consists of Firebird's interest in leases in Chesterfield County, South Carolina held by Optioner, pursuant to an agreement between Optioner and the Company dated July 1, 2010. The following are the leases comprising the Buzzard Property:

Acres	County	Signing date	Tax Map Number, Referencing Metes and Bounds Survey and Plat Recorded at County Courthouse
438.64	Chesterfield	14-Oct-09	37-60
320	Chesterfield	11-Dec-09	36-05
15	Chesterfield	11-Dec-09	36-45
3.2	Chesterfield	11-Dec-09	36-157
79	Chesterfield	12-Jan-10	36-13; 36-17
50.1	Chesterfield	6-Feb-10	36-42, 36-41, 36-27, 36-39
142.3	Chesterfield	16-Jun-10	049-000-000-008; 049-000-000-007
109.3	Chesterfield	11-Jun-10	37-60, 37-86, 37-33

THE BELK PROPERTY

The Buzzard Property consists of Firebird's interest in leases in Lancaster County, South Carolina held by the Optioner, pursuant to an agreement between Optioner and the Company dated July 1, 2010. The following are the leases comprising the Buzzard Property:

Acres	County	Signing date	Tax Map Number, Referencing Metes and Bounds Survey and Plat Recorded at County Courthouse
81.8	Lancaster	12-Jan-10	0071-00-011-00; 012.04
204.45	Lancaster	12-Jan-10	0071-00-12-01
79.726	Lancaster	09-Feb-10	0071-00-013.00
81.3	Lancaster	24-Feb-10	0058-00-152.00
34.2	Lancaster	24-Feb-10	0058-00-152.01
98.77	Lancaster	9-Mar-10	0071-00-012-02