

LIONS GATE METALS INC.

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INFORMATION CIRCULAR

(as at May 25, 2011)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Lions Gate Metals Inc. (the “Company”) for use at the Annual General and Special Meeting (the “Meeting”) of its shareholders to be held on June 21, 2011 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to the “Company”, “we” and “our” refer to Lions Gate Metals Inc. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers of the Company. If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (i) each matter or group of matters identified therein for which a choice is not specified,
- (ii) any amendment to or variation of any matter identified therein, and
- (iii) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter. Management is not currently aware of any other matter that could come before the Meeting.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (i) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Valiant Trust Company, by fax at (604) 681-3607, or by mail or hand delivery at Suite 600, 750 Cambie Street, Vancouver, British Columbia, V6B 0A2; or
- (ii) using the internet through the website of Valiant Trust Company at www.valianttrust.com. Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares).

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it by:

- (i) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to **Valiant Trust Company or at the Company's office, Suite 880, 609 Granville Street, PO Box 10321, Pacific Centre, Vancouver, British Columbia, V7Y 1G5**, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (ii) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors.

RECORD DATE AND QUORUM

The board of directors (the "**Board**") of the Company have fixed the record date for the Meeting at the close of business on May 17, 2011 (the "**Record Date**"). Shareholders of the Company of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, except to the extent that any such shareholder transfers any shares after the Record Date and the transferee of those shares establishes that the transferee owns the shares and demands, not less than ten days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

Under the Articles of the Company, the quorum for the transaction of business at the Meeting consists of one person who is a shareholder or who is otherwise permitted to vote shares of the Company at a meeting of shareholders pursuant to the Articles, present in person or by proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Common Shares. As of May 17, 2011, there were 23,653,326 Common Shares issued and outstanding, each carrying the right to one vote. Common Shares of the Company are listed on TSX Venture Exchange (the "**TSXV**").

As at May 17, 2011, to the knowledge of the directors and senior officers of the Company, and based on the Company's review of the records maintained by Valiant Trust Company, electronic filings with System for Electronic Document Analysis and Retrieval ("**SEDAR**") and insider reports filed with System for Electronic Disclosure by Insiders, the following persons owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company:

Name	Number of Voting Securities	Percentage
Resinco Capital Partners Inc.	3,797,437 ⁽¹⁾	16.1%
ROYTOR & CO ITF A/C T13155201	3,019,737	12.8%

(1) John Icke, a Director of the Company, is CEO and a Director of Resinco Capital Partners Inc.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board of Directors (the “**Board**”), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices, as summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the company. A “material relationship” is a relationship which could, in the view of the Company’s board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Company’s Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Company’s Board requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Company’s Board is responsible for monitoring the Company’s officers, who in turn are responsible for the maintenance of internal controls and management information systems.

Currently, the Company’s board has two independent members, being John Tapics and Gordon Keevil. The non-independent members are Arni Johannson, Michael Sweatman and John Icke.

Directorships

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

Name of Director	Other Issuer
Arni Johannson	Galena Capital Corp. Mega Uranium Ltd. Titan Uranium Inc.
Michael Sweatman	Black Bird Energy Inc. Brownstone Energy Inc. Galena Capital Corp. Mega Precious Metals Inc. Mega Uranium Ltd. Netco Energy Inc. Pacific Coast Nickel Corp. Teslin River Resources Corp.

John Icke	Terreno Resources Inc. Woulfe Mining Corp. Cue Resources Ltd. Pacific Coast Nickel Corp. Teslin River Resources Corp. Resinco Capital Partners Inc..
John Tapics	Compliance Energy Corporation Copper Mountain Mining Corporation Run of River Power Inc.
Gordon Keevil	Burnstone Ventures Inc.

Orientation and Continuing Education

Each new director is given an outline of the nature of the Company's business, its corporate strategy and current issues within the Company. New directors are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as director of the Company.

In addition, management of the Company takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. The Company continually reviews the latest securities rules and policies and is on the mailing list of the TSX Venture Exchange (the "TSXV") to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Company's directors either by way of director or committee meetings or by direct communications from management to the directors.

Ethical Business Conduct

The Company's Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the board in which the director has an interest have been sufficient to ensure that the board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

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

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

Compensation

The directors decide as a Board the compensation for the Company's officers, based on industry standards and the Company's financial situation. The directors currently do not receive any remuneration for their acting in such capacity.

Other Board Committees

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

Assessments

The Company's Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

Audit Committee Disclosure

Pursuant to section 224(1) of the *British Columbia Business Corporations Act*, the policies of the TSXV and National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), the Company is required to have an Audit Committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

Audit Committee's Charter

The Audit Committee has a charter. A copy of the Audit Committee Charter is attached as Schedule “B” to this Information Circular.

Composition of the Audit Committee

The following are the members of the Committee:

John Icke (Interim Chair)	Non-Independent ⁽¹⁾	Financially literate ⁽¹⁾
John Tapics	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Gordon Keevil	Independent ⁽¹⁾	Financially literate ⁽¹⁾

1. As defined in NI 52-110.

Relevant Education and Experience

John Icke is a senior executive with more than 25 years global management experience, 16 in the role of President, General Manager or Chief Executive Officer, in both the private and public sectors. Currently, Mr. Icke is the President, Chief Executive Officer and a Director of Resinco Capital Partners Inc. His previous positions include: President of Accenture Business Services for Utilities, the largest business process outsourcing practice of its kind worldwide; President and Chief Executive Officer of Lily Cups Inc; founding Director and Chairman of Canadian Polystyrene Recycling Association (C.P.R.A.); Corporate Vice President and General Manager of Indigo N.V.'s worldwide packaging business; Chief Operating Officer and Executive Vice President of Sweetheart Cup, a subsidiary of Fort Howard and President of JRI Strategy Consultants Inc., a business consultancy providing strategic counselling and leadership to senior executives of retailers, technology, mining, investment management and consumer goods manufacturing businesses. Mr. Icke has significant experience with private equity financing transactions, in addition to public debt and equity financing. Mr. Icke serves on numerous public, private and not-for-profit Boards.

John Tapics is currently CEO of Compliance Energy Corp. (TSXV:CEC) a company focused on the development of Coal assets on Vancouver Island, B.C. He also serves on The Board of Directors for Copper Mountain Mining Corporation. Copper Mountain is a large 5 billion lbs Copper project in B.C. Canada that intends on being in full production by June 2011 with their financial partner Mitsubishi Materials Corp. Mr. Tapics has served on the board of Copper Mountain since their Initial Public Offering in 2007.

Mr. Tapics graduated in 1975 with a B.Sc. Honours in Mining Engineering from Queen's University in Ontario, Canada. Mr. Tapics has over 30 years of mining and electricity industry experience including four years as President and CEO of the Alberta Electric System Operator responsible for operating Alberta's electricity market, transmission planning and system operations; eleven as an Officer of TransAlta Corporation, in charge of the Generation, and the Transmission and Distribution Business units. While at TransAlta Mr. Tapics directed the planning and economic delivery of 16 million tonnes of coal annually from two mine sites to three power plants totaling 3300 megawatts.

Mr. Tapics has served as a Director of the Coal Association of Canada, the Alberta Chamber of Resources, and the Western Electric Power Institute. He has been active with the Canadian Electricity Association, serving on the Generation and the Transmission Strategic Issues working groups; and the Canadian Institute of Mining and Metallurgy serving as the Calgary Branch Chairman.

Gordon Keevil is a senior executive serving as VP Corporate Development of Imperial Metals Corp. (TSX-III). Mr. Keevil joined Imperial Metals in 2009 following the Imperial - Selkirk Metals Corp. merger. Mr. Keevil brings a wealth of technical and corporate experience in the management financing and operation of resource companies. His experience in the development of junior companies will be invaluable as Lions Gate moves its projects forward.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

External Auditor Service Fees (By Category)

Aggregate fees paid to the Auditor during the fiscal years ended December 31, 2010 and 2009 were as follows:

Financial Year Ended	Audit Fees	Audit Related Fees ¹	Tax Fees ²	All Other Fees ³
2010	\$20,000	Nil	\$4,499	\$3,337
2009	\$20,000	Nil	\$4,870	Nil

Notes:

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for performance philosophy. Compensation for this financial year and prior financial years have historically been based upon a negotiated salary, with stock options and bonuses potentially being issued and paid as an incentive for performance.

As the Company does not have a compensation committee, the Board has the responsibility to administer compensation policies related to the executive management, being the President and the Chief Executive Officer.

Option-Based Awards

As the Company does not have a compensation committee, the Board of Directors has the responsibility to administer compensation policies related to executive management of the Company, including option-based awards.

Shareholders have approved a stock option plan pursuant to which the Board has granted stock options to executive officers. The stock option plan provides compensation to participants and an additional incentive to work toward long-term Company performance.

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. The stock option plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer and the exercise

price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of the Company's shareholders.

Summary Compensation Table

In accordance with the provisions of applicable securities legislation, the Company had five "Named Executive Officers" during the financial year ended December 31, 2010, namely Arni Johannson (CEO), Michael Sweatman (CFO), Damien Reynolds (former CEO), Mark Hewett (former CEO), and Darren Tindale (former CFO). For the purpose of this information circular:

"CEO" of the Company means an individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" of the Company means an individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"Named Executive Officers or NEOs" means:

- (a) a CEO;
- (b) a CFO;
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000;
- (d) each individual who would be an NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries during the three most recently completed financial years ended on or after December 31, 2010, December 31, 2009 and December 31, 2008 in respect of the Named Executive Officers. For the information concerning compensation related to previous years, please refer to the Company's previous Information Circulars available at www.sedar.com.

Summary Compensation Table
For Financial Years Ended December 31, 2010, 2009 and 2008

NEO Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Share-Based Awards (\$)	Option-Based Awards (\$) ¹	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Arni Johannson Chairman, and Interim CEO ⁽²⁾	2010	180,000	Nil	Nil	Nil	Nil	Nil	108,000	288,000
	2009	135,000	Nil	Nil	Nil	Nil	Nil	Nil	135,000
	2008	52,500	Nil	Nil	Nil	Nil	Nil	30,000	82,500
Michael Sweatman CFO ⁽³⁾	2010	Nil	Nil	Nil	Nil	Nil	Nil	11,537 ⁽⁷⁾	11,537
	2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Damien Reynolds (former CEO) ^(2, 4)	2010	90,102	Nil	Nil	Nil	Nil	Nil	Nil	90,102
	2009	141,000	Nil	Nil	Nil	Nil	Nil	Nil	141,000
	2008	52,500	Nil	Nil	Nil	Nil	Nil	30,000	82,500
Mark Hewett, (former CEO) ⁽⁴⁾	2010	N/A	N/A	N/A	N/A	N/A	N/A	7,250	7,250
	2009	60,000	Nil	36,000 ⁽⁵⁾	Nil	Nil	Nil	6,000	102,000
	2008	70,000	Nil	150,00 ⁽⁶⁾	Nil	Nil	Nil	30,000	250,000

NEO Name and Principal Position	Year	Salary (\$) ⁽¹⁾	Share-Based Awards (\$)	Option-Based Awards (\$) ¹	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Darren Tindale	2010	15,000	Nil	Nil	Nil	Nil	Nil	24,000	39,000
(former CFO) ⁽³⁾	2009	29,938	Nil	89,500 ⁽⁵⁾	Nil	Nil	Nil	6,000	125,438
	2008	13,500	Nil	Nil	Nil	Nil	Nil	10,000	23,500

- (1) The value of perquisites and benefits, if any, for each Named Executive Officer was less than the lesser of \$50,000 and 10% of the total annual salary and bonus.
- (2) Damien Reynolds resigned as Chief Executive Officer on December 1, 2009 and Arni Johannson was appointed interim Chief Executive Officer in his stead.
- (3) Darren Tindale resigned as Chief Financial Officer on July 30, 2010 and Michael Sweatman was appointed Chief Financial Officer in his stead.
- (4) Mark Hewett resigned as Chief Executive Officer on June 30, 2009 and Damien Reynolds was appointed Chief Executive Officer in his stead.
- (5) 50,000 options granted to Mr. Hewett and Mr. Tindale on April 2, 2009 were valued at \$0.72. The Company used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for these options: risk-free interest rate – 2.0%; estimated volatility – 51%; expected life – 5 years; and expected dividend yield – 0%. Mr. Tindale received an additional grant of 50,000 options valued at \$1.07 on September 18, 2009 and the Company used the Black-Scholes model as the methodology to calculate the grant date fair value, relying on the following key assumptions and estimates: risk-free interest rate - 2.7%; estimated volatility – 117%; expected life – 5 years; and expected dividend yield - 0%.
- (6) Mr. Hewett was granted 150,000 options on June 23, 2008 valued at \$1.00. The Company used the Black-Scholes model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for each calculation: risk-free interest rate – 3.1%; estimated volatility - 140%; expected life – 5 years; and expected dividend yield - 0%.
- (7) Paid to a Company which Mr. Sweatman is a Director and Shareholder.

Outstanding Share-Based Awards and Option-Based Awards

The Company has a “rolling” stock option plan (the “Plan”). Pursuant to the Plan, the Company can grant options up to a maximum of 10% of the Company’s issued and outstanding share capital. As at the date of this Information Circular, the Company has a total of 1,564,000 options outstanding pursuant to the Plan. For further information regarding the terms of the Plan, refer to the heading “Particulars of Other Matters to be Acted Upon - The Plan” below.

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the Named Executive Officers.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ of Share-Based Awards That Have Not Vested (\$)
Arni Johannson	111,000	1.10	June 26, 2011	Nil	Nil	Nil
	39,000	1.10	Sept. 15, 2011	Nil	Nil	Nil
Michael Sweatman	Nil	N/A	N/A	N/A	N/A	N/A
Darren Tindale	50,000	0.72	April 1, 2014	4,000	Nil	Nil
	50,000	1.07	Sept. 18, 2014	Nil	Nil	Nil

Notes:

- (1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options as at the closing price on the date of the

current financial year end, or, if no trades on date of the current financial year end, closing price on the previous trading day. The last closing price of the Company's shares was \$0.80 on December 31, 2010.

- (2) Subsequent to Darren Tindale's resignation as Chief Financial Officer, his option remained valid in an advisory capacity up to January 4, 2011.

Incentive Plan Awards: Value Vested or Earned During the Year

No incentive plan awards to Named Executive Officers vested during the financial year ended December 31, 2010.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination of Employment, Change in Responsibilities and Employment Contracts

The Company does not have an employment contract with any of its Named Executive Officers. Each Named Executive Officer devotes a portion of his or her time to the Company and a portion of his or her time to other companies where he or she is a director and/or officer. Accordingly, the Name Executive Officers invoice the Company based on the percentage of time devoted to the Company.

Neither the Company nor any of its subsidiaries have any plan or arrangement with respect to compensation to its executive officers which would result from the resignation, retirement or any other termination of the executive officers' employment with the Company and its subsidiaries or from a change of control of the Company or any subsidiary of the Company or a change in the executive officers' responsibilities following a change in control.

Management Contracts

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

Compensation of Directors

The following table sets forth all amounts of compensation provided to directors who were not Named Executive Officers of the Company during the Company's most recently completed financial year end.

Director Name	Fees Earned (\$) ⁽¹⁾	Share-Based Awards (\$)	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
John Icke ⁽³⁾	Nil	Nil	84,374	Nil	Nil	Nil	84,374
Blair McIntyre ⁽³⁾	60,000	Nil	42,186	Nil	Nil	18,000	120,186
Mark Hewett	Nil	Nil	Nil	Nil	Nil	7,250	7,250
Lawrence Thomson ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	9,000	9,000

Notes:

- (1) The value of perquisites and benefits, if any, for each Director was less than the lesser of \$50,000 and 10% of the total annual salary and bonus.
- (2) The value of the option-based award was determined using the Black-Scholes option-pricing model. All options shown were granted with an exercise price equal to the market price of the Company's common shares on the date of grant. Accordingly, the values shown for these options are not the "in-the-money" value at the time of grant, but the theoretical value of the options at that time based on the Black-Scholes-option pricing formula. Please see the table under "Outstanding Option-Based Awards" for the in-the-money value of these options.
- (3) On January 15, 2010, John Icke and Blair McIntyre were granted stock options to purchase 100,000 and 50,000 common shares respectively, exercisable at a price of \$1.10 per share until January 15, 2015.
- (4) Lawrence Thomson resigned as a Director on July 13, 2010. His option remains valid in an advisory capacity.

Effective November 1, 2009, the Board approved the payment of a fee to each of Mark Hewett, Darren Tindale and Laurence Thomson in the amount of \$3,000 per month, for services provided as directors of the Company. Effective April 1, 2010 the Board approved the termination of these monthly fees.

Outstanding Share-Based Awards and Option-Based Awards

The Company has a “rolling” stock option plan (the “Plan”). Pursuant to the Plan, the Company can grant options up to a maximum of 10% of the Company’s issued and outstanding share capital. As at the date of this Information Circular, the Company has a total of 1,564,000 options outstanding pursuant to the Plan. For further information regarding the terms of the Plan, refer to the heading “Particulars of Other Matters to be Acted Upon - The Plan” below.

The following table sets forth information concerning all awards outstanding under share-based or option-based incentive plans of the Company at the end of the most recently completed financial year to each of the Directors of the Company who were not Named Executive Officers during the last financial year ended December 31, 2010.

Director Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options ⁽¹⁾ (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ Of Share-Based Awards That Have Not Vested (\$)
John Icke	100,000	1.10	Jan. 15, 2015	Nil	Nil	Nil
Blair McIntyre	25,000	0.72	Apr. 1, 2014	2,000	Nil	Nil
	25,000	1.07	Sept. 18, 2014	Nil	Nil	Nil
	50,000	1.10	Jan. 15, 2015	Nil	Nil	Nil
Mark Hewett	150,000	1.12	June 23, 2013	Nil	Nil	Nil
	50,000	0.72	Apr. 1, 2014	4,000	Nil	Nil
Lawrence Thomson	50,000	1.12	June 23, 2013	Nil	Nil	Nil

(1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options as at the closing price on the date of the current financial year end, or, if no trades on date of the current financial year end, closing price on the previous trading day. The last closing price of the Company’s shares was \$0.80 on December 31, 2010.

(2) Lawrence Thomson resigned as a Director on July 13, 2010. His option remains valid in an advisory capacity.

Incentive Plan Awards: Value Vested or Earned During the Year

The following table details the value of incentive plan awards to Directors (who were not Named Executive Officers) that vested during the financial year ended December 31, 2010.

Name	Option-Based Awards – Value Vested During the Year (\$)	Share-Based Awards – Value Vested During the Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
John Icke	Nil ⁽¹⁾	Nil	Nil
Blair McIntyre	Nil ⁽¹⁾	Nil	Nil

Notes:

1. All Options that vested during the financial year ended December 31, 2010 were not-in-the-money on the date of vest as the market closing price on the date of grant was equal to or less than the exercise price.

Securities Authorized For Issuance under Equity Compensation Plans

For a description of our equity compensation plan, please see the heading “Options” above and “Continuation of Share Option Plan” below. The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2010:

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Option Plan)	710,000	\$1.07	913,169
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	710,000	\$1.07	913,169

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of December 31, 2010 or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as previously disclosed under the heading “Termination of Employment, Change in Responsibilities and Employment Contracts” to the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended December 31, 2010, or has any interest in any material transaction in the current year.

The directors and officers of the Company have an interest in the resolutions concerning the election of directors and stock options. Otherwise no director or senior officer of the Company or any associate of the foregoing has any substantial interest, direct or indirect, by way of beneficial ownership of shares or otherwise in the matters to be acted upon at the Meeting, except for any interest arising from the ownership of shares of the Company where the shareholder will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of shares in the capital of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON**A. Financial Statements**

The shareholders will receive and consider the audited financial statements of the Company for the fiscal year ended December 31, 2010 together with the auditor's report thereon. A copy of the financial statements is available for review on www.sedar.com.

B. Election of Directors

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *British Columbia Business Corporations Act*, each director elected will hold office until the conclusion of the next annual general meeting of the Company.

Management is proposing to fix the number for which positions exist on the Company's board at six (6).

The following table sets out the names of management's nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares of the Company

beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the date of this Information Circular.

Name of Nominee, Current Position with Company, Province and Country of Residence	Principal Occupation⁽¹⁾	Period From Which Nominee Has Been Director	Number of Approximate Voting Securities⁽²⁾
Arni Johannson Chairman, Interim CEO and Director British Columbia, Canada	President of Canadian Nexus Ventures Ltd.	November 9, 2006	770,096
Michael Sweatman CFO and Director British Columbia, Canada	Chartered Accountant; Principal of MDS Management Ltd. (consulting company) since December 1992; CFO of Teslin River Resources Corp. since May 2010; CFO of Galena Capital Corp. since January 2011; CFO of NETCO Energy Inc. since November 2010.	July 30, 2010	70,500
John Icke Director British Columbia, Canada	President and CEO of Resinco Capital Partners Inc.	November 27, 2009	19,500 (held directly) 3,807,437 (held by Resinco Capital Partners Inc., the company over which control or direction is exercised)
John Tapics Director British Columbia, Canada	President, CEO and a Director of Compliance Energy Corporation	April 6, 2011	Nil
Gordon Keevil Director British Columbia, Canada	CEO of Burnstone Ventures Inc. (formerly, Pure Diamonds Exploration Inc. and Pure Gold Minerals Inc) since May 17, 2006 to present; VP, Corporate Development at Imperial Metals Corp. since November 30, 2009 to present; Former President and Director of Selkirk Metals Corp.; Former President and a Director of Cross Lake Minerals	April 28, 2011	Nil
Richard Schroeder⁽³⁾ Director British Columbia, Canada	Chartered Accountant, Partner at Ernst & Young LLP since 2005	N/A	Nil

(1) The information as to principal occupation, business or employment and common shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above not elected at the last annual general meeting have held the principal occupation or employment indicated for at least five years.

(2) Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.

(3) Richard Schroeder has consented to act as a Director of the Company effective July 1, 2011. Mr. Schroeder to be elected to take office on July 1, 2011, following his retirement as a partner with Ernst & Young LLP.

The Company does not have an Executive Committee. The Board has established an Audit Committee, details of which is provided under the heading "Statement of Corporate Governance".

Management does not contemplate that any of the nominees will be unable to serve as a director. However, if a nominee should be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. **The persons named in the enclosed form of proxy intend to vote for the election of all of the nominees whose names are set forth above.**

Other than as set out below, as at the date of this Information Circular and within the ten years before the date of this Information Circular, no proposed director:

- (a) is or has been a director or executive officer of any company (including the Company), that while that person was acting in that capacity:
 - i. was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
 - ii. was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
 - iii. within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has within 10 years before the date of the Information Circular become 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 the assets of the director, officers or shareholders.

Mr. Icke is and was a director of Woulfe Mining Corp. at the date of a cease trade order issued by the British Columbia Securities Commission on November 5, 2009 for failure to file audited financial statements and management's discussion and analysis for the year ended June 30, 2009 on time. The order was revoked on December 8, 2009 following the filing of the required documents. The Company's shares were also suspended from trading on the TSX Venture Exchange on November 6, 2009 in relation thereto and resumed trading on December 9, 2009.

Mr. Icke was a director of Sheen Resources Ltd. at the date of a trading suspension issued by the TSX Venture Exchange on April 19, 2010 for failure by Sheen to maintain a transfer agent and at the date of a cease trade order issued by British Columbia Securities Commission on May 5, 2010 and re-issued June 10, 2010, by the Ontario Securities Commission on June 30, 2010 for failure to file audited financial statements and management's discussion and analysis for the Company for the year ended December 31, 2009 on time and interim financial statements and management's discussion and analysis for the Company for the three months ended March 31, 2010. The suspensions and cease trade orders remain in effect as of the date of this AIF. Mr. Icke resigned as a Director of Sheen Resources in October 2010.

Mr. Sweatman is a director of Glenthorne Enterprises Inc., a corporation listed on the TSX-V. On April 15, 2009, trading was halted by the TSX-V pending clarification of the financial affairs of the corporation. Trading resumed on May 28, 2009.

In May, 2001, Mr. Sweatman resigned as a director of Octagon Industries Inc. ("Octagon"). On May 4, 2001, Octagon filed a notice of intention to make a proposal to its unsecured creditors pursuant to the *Bankruptcy and Insolvency Act (Canada)* in order to stay action taken by a secured creditor to enforce its security against Octagon. A. Farber & Partners Inc. was appointed to act as Trustee under the proposal. On June 12, 2001, the trustee sent notice of the proposal to Octagon's unsecured creditors, and the proposal was accepted at a general meeting of the unsecured creditors held on June 25, 2001.

Mr. Sweatman was a director of Treat Systems Inc. ("Treat") since July of 1998. In October of 2002, trading in the shares of Treat was halted by the Exchange for failure to meet the Exchange's tier maintenance requirements under Policy 2.5 Tier Maintenance Requirements and Inter-Tier Movement and for having been designated as an inactive issuer for a period in excess of 18 months. In August of 2003, Treat's shares were listed for trading on the NEX board of the Exchange. In January of 2008, Treat completed a "change of business" pursuant to the policies of the Exchange. Treat's name was changed to Mega Silver Inc., which later was changed to Mega Precious Metals Inc., and its shares commenced trading on the Exchange on January 31, 2008.

Mr. Gordon Keevil was the president and a director of Cross Lake from December 8, 2003 to October 23, 2008 and chief executive officer from December 2006 to October 23, 2008. Cross Lake applied to the British Columbia Supreme Court and obtained a court order dated October 14, 2008 (the "Order") granting Cross Lake creditor protection under the Companies' Creditors Arrangement Act (Canada) ("CCAA") to allow it to develop a reorganization plan with its creditors. On June 1, 2009, Cross Lake changed its name to 0373849 B.C. Ltd. and completed the restructuring transactions provided for in the amended and restated plan of compromise and arrangement filed by it on May 21, 2009 pursuant to the CCAA and the Business Corporations Act (British Columbia).

C. Appointment of Auditor

Management recommends the re-appointment of Beauchamp & Company, Chartered Accountants of #205 – 788 Beatty Street, Vancouver, British Columbia, V6B 2M1 as the auditor of the Company to hold office until the close of the next annual meeting of the shareholders.

Shares represented by proxies in favour of the management nominees will be voted in favour of the appointment of Beauchamp & Company, Chartered Accountants, as auditor of the Company and authorizing the Board to fix the auditor's remuneration, unless a shareholder has specified in his proxy that his shares are to be withheld from voting on the appointment of auditor.

D. Approval of Incentive Stock Option Plan

The TSXV requires that each company listed on its stock exchange have a stock option plan and accordingly, the Company presently has a 10% rolling stock option plan in place pursuant to which the Company can issue options up to a maximum of 10% of its issued and outstanding shares, from time to time. The directors are of the view that it is in the best interests of the Company to maintain the Company Plan, which will enable the directors to grant options to directors, officers, employees and other service providers as a means of rewarding positive performance and providing incentive to effectively manage the affairs of the Company. Additionally, the TSXV requires that the Company seek shareholder approval to the plan annually.

At this time, the Company is proposing to adopt a new form of stock option plan to reflect current regulatory policies. The new form of Stock Option Plan is attached here to as Schedule "A".

Shareholders will be asked to consider, and if thought fit to approve the following resolution:

"RESOLVED, as an ordinary resolution that:

- a. the Company's stock option plan (the "Plan") attached as Schedule "A" to the Information Circular dated May 25, 2011, be and it is hereby adopted and approved including reserving for issuance under the Plan at any time of a maximum of 10% of the issued and outstanding shares of the Company;
- b. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Plan;
- c. the outstanding stock options which have been granted prior to the implementation of the Plan shall, for the purpose of calculating the number of stock options that may be granted under the Plan, be treated as options granted under the Plan; and
- d. the directors and officers of the Company be authorized and directed to perform all such acts and deeds and things and execute, under seal of the Company or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions."

E. Subdivision of Share Capital

Management believes that it may be both desirable and in the best interests of the Company to subdivide the Company's issued shares in order to provide increased liquidity to shareholders and promote broader share

ownership. Accordingly, shareholders are asked to approve an Ordinary Resolution that the Company subdivide its issued shares on the basis of two (2) new subdivided shares for every one (1) old issued share at any time within six months following the Meeting and that the directors of the Company be given the sole and exclusive authority to determine whether the subdivision should be effected. The subdivision of shares is subject to the approval of the Exchange.

In the event that the subdivision is conducted, the Company will have approximately 47,306,652 shares outstanding subsequent to the subdivision. The exact number of post-subdivision shares will most likely vary from this approximation depending upon the number of shares outstanding at the date of the subdivision and the treatment of the fractions that will most likely occur when each shareholder's holdings are subdivided on a two (2) to one (1) basis.

Accordingly, the shareholders of the Company will be asked to approve an Ordinary Resolution approving the share consolidation, the text of which will be in substantially the form as follows, subject to changes in form as may be required by the Registrar of Companies:

“RESOLVED, as an ordinary resolution that:

- a. the board of directors of the Company be and is hereby authorized, subject to approval of the TSX Venture Exchange, to take such actions as are necessary to subdivide, at any time with the six months following the date of this resolution, all of the issued and outstanding common shares of the Company on the basis of two (2) new subdivided common shares for every one (1) pre-subdivision common share; and
- b. the board of directors of the Company may, at its discretion, determine when such subdivision will take place and may further, at its discretion, determine not to effect a subdivision of all of the issued and outstanding common shares of the Company, in each case without requirement for further approval, ratification or confirmation by the shareholders of the Company. "

The foregoing resolution permits the Directors, without further approval by the shareholders, to proceed with the subdivision at any time within the six months following the date of this Meeting. Alternatively, the Directors may choose not to proceed with the share subdivision if the Directors, in their discretion, deem that it is no longer desirable to do so.

The Board of Directors of the Company recommends that you vote in favour of the subdivision of share capital for the reasons set out in this Circular.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at Suite 880, 609 Granville Street, PO Box 10321, Pacific Centre, Vancouver, BC, V7Y 1G5, to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board of the Company.

DATED at Vancouver, British Columbia, May 25, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

“Arni Johannson”

Arni Johannson, Chairman, CEO and Director

SCHEDULE "A"

LIONS GATE METALS INC.

Suite 880, 609 Granville Street, PO Box 10321, Pacific Centre, Vancouver, BC, V7Y 1G5

Telephone: (604)683-7588

2011

Stock Option Plan

ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

“**Administrator**” means such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;

“**Award Date**” means the date on which the Board grants and announces a particular Option;

“**Board**” means the Board of Directors of the Company;

“**Company**” means Lions Gate Metals Corp. and any subsidiary thereof, (within the meaning of the Securities Act), as the context may apply;

“**Consultant**” means an individual (or a company wholly owned by the individual) who (i) provides ongoing consulting, technical, management or other services to the Company (excluding services provided in relation to a distribution of the Company’s securities); (ii) possesses technical, business or management expertise of value to the Company; (iii) provides the services under a written contract with the Company; (iv) spends a significant amount of time and attention to the business and affairs of the Company; and (v) has a relationship with the Company that enables the individual to be knowledgeable about the business and affairs of the Company;

“**Director**” means a director, senior officer and Management Company Employee of the Company;

“**Employee**” means (i) an individual considered an employee under the *Income Tax Act*, Canada (i.e. for whom income tax and other deductions are made by the Company); (ii) an individual who works full-time for the Company providing services normally provided by an employee of the Company but for whom income tax and other deductions are not made by the Company; and (iii) an individual who works for the Company on a continuing and regular basis for a minimum amount of time per week, but for whom income tax and other deductions are not made by the Company;

“**Exchange**” means the TSX Venture Exchange;

“**Exercise Notice**” means the notice respecting the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder;

“**Exercise Period**” means the period during which a particular Option may be exercised, being the period from and including the Award Date through to and including the Expiry Date;

“**Exercise Price**” means the price at which an Option may be exercised as determined in accordance with section 3.6;

“**Expiry Date**” means the date determined in accordance with section 3.3 and after which a particular Option cannot be exercised;

“**Insider**” means a Director, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company;

“**Investor Relations Activities**” has the meaning ascribed thereto in the Exchange’s corporate finance manual;

“**Management Company Employee**” means an individual employed by a company providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in Investor Relations Activities;

“**Option**” means an option to acquire Shares, awarded to a Director, Employee or Consultant pursuant to the Plan;

“**Option Certificate**” means the certificate, substantially in the form set out as Schedule “A” hereto, evidencing an Option;

“**Option Holder**” means a current or former Director, Employee or Consultant who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;

“**Personal Representative**” means (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;

“**Plan**” means the Company’s stock option plan as embodied herein and as from time to time amended;

“**Securities Act**” means the *Securities Act* (British Columbia); and

“**Share**” or “**Shares**” means, as the case may be, one or more common shares without par value in the capital of the Company.

1.2 CHOICE OF LAW

The Plan is established under, and the provisions of the Plan shall be interpreted and construed solely in accordance with, the laws of the Province of British Columbia.

1.3 HEADINGS

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE II PURPOSE AND PARTICIPATION

2.1 PURPOSE

The purpose of the Plan is to provide the Company with a Share-related mechanism to attract, retain and motivate Directors, Employees and Consultants, to reward such of those persons by the grant of options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such persons to acquire Shares as long term investments.

2.2 PARTICIPATION

The Board shall, from time to time, in its sole discretion determine those Directors, Employees and Consultants, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director, the Board shall, in its sole discretion but subject to section 3.2, determine the number of Shares to be acquired on the exercise of such Option. If the Board elects to award an Option to an Employee or Consultant, the number of Shares to be acquired on the exercise of such Option shall be determined by the Board in its sole discretion, and in so doing the Board may take into account the following criteria:

- (a) the person’s remuneration as at the Award Date in relation to the total remuneration payable by the Company to all of its Employees and Consultants as at the Award Date;
- (b) the length of time that the person has provided services to the Company; and
- (c) the nature and quality of work performed by the person.

2.3 NOTIFICATION OF AWARD

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

2.4 *COPY OF PLAN*

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of this Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.5 *LIMITATION*

This Plan does not give any Option Holder who is a Director the right to serve or continue to serve as a Director, nor does it give any Option Holder who is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company.

ARTICLE III TERMS AND CONDITIONS OF OPTIONS

3.1 *BOARD TO ALLOT SHARES*

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 *NUMBER OF SHARES*

The maximum number of Shares issuable under the Plan shall not exceed 10% of the number of Shares of the Company issued and outstanding as of each Award Date, inclusive of all Shares presently reserved for issuance pursuant to previously granted stock options, unless shareholder approval is obtained in advance in accordance with section 6.5 hereof.

Options that have been cancelled or that have expired without being exercised in full shall continue to be issuable under the Plan. Subject to the provisions of section 6.5, Options that have been exercised will reduce the total number of Options available to be granted hereunder.

3.3 *TERM OF OPTION*

Subject to section 3.5, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the tenth anniversary of the Award Date of the Option, or such other maximum amount of time as may be allowable under the policies of the Exchange.

3.4 *LIMITATIONS*

The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Shares of the Company at the Award Date (unless the Company has obtained disinterested shareholder approval).

The total number of Options awarded to any one Consultant for the Company shall not exceed 2% of the issued and outstanding Shares of the Company at the Award Date without consent being obtained from the Exchange.

The total number of Options awarded to all persons employed by the Company who perform Investor Relations Activities for the Company shall not exceed 2% of the issued and outstanding Shares of the Company, in any twelve month period, calculated at the Award Date without consent being obtained from the Exchange.

3.5 *TERMINATION OF OPTION*

An Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix limits, vesting requirements or restrictions in respect of which an Option Holder may exercise part of any Option held by him. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. (Vancouver time) on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board on the Award Date referred to in section 3.3 above, and the date established, if applicable, in subsections (a) to (c) below.

(a) *Death*

In the event that the Option Holder should die while he or she is still (i) a Director or Employee, (other than an Employee performing Investor Relations Activities) the Expiry Date shall be 12 months from the date of death of the Option Holder; or (ii) a Consultant, or an Employee performing Investor Relations Activities, the Expiry Date shall be one month from the date of death of the Option Holder.

(b) *Ceasing to Hold Office*

Unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as Director and such Option Holder ceases to be a Director of the Company other than by reason of death, the Expiry Date of the Option shall be the 90th day following the date the Option Holder ceases to be a Director of the Company unless the Option Holder continues to be engaged by the Company as an Employee or Consultant, in which case the Expiry Date shall remain unchanged. However, if the Option Holder ceases to be a Director of the Company as a result of:

- (i) ceasing to meet the qualifications set forth in s.114 of the *Business Corporations Act* (British Columbia); or
- (ii) a special resolution having been passed by the members of the Company pursuant to subsection 130(3) of the *Business Corporation Act* (British Columbia),

then the Expiry Date shall be the date the Option Holder ceases to be a Director of the Company.

(c) *Ceasing to be Employed*

Unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as an Employee or Consultant of the Company (other than an Employee or Consultant performing Investor Relations Activities) and such Option Holder ceases to be an Employee or Consultant of the Company other than by reason of death, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be an Employee or Consultant of the Company unless the Option Holder ceases to be such as a result of:

- (i) termination for cause; or
- (ii) an order of the British Columbia Securities Commission, the Exchange, or any regulatory body having jurisdiction to so order,

in which case the Expiry Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Company.

(d) *Ceasing to Perform Investor Relations Activities*

Notwithstanding the paragraph (c) immediately above, and unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as an Employee or Consultant of the Company who provides Investor Relations Activities on behalf of the Company, and such Option Holder ceases to be an Employee or Consultant of the Company other than by reason of death, the Expiry Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Company.

3.6 *EXERCISE PRICE*

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion, and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the closing price of the Company's Shares traded through the facilities of the Exchange (or, if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading) on the day preceding the Award Date, less any discount permitted by the Exchange, or such other price as may be required or permitted by the Exchange.

3.7 *ASSIGNMENT OF OPTIONS*

Options may not be assigned or transferred, and all Option Certificates will be so legended, provided however that the Personal Representatives of an Option Holder may, to the extent permitted by section 4.1, exercise the Option within the Exercise Period.

3.8 *PAYROLL WITHHOLDING*

If the Company is required under the *Income Tax Act (Canada)* or any other applicable law to make source deductions in respect of employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Common Shares on exercise of Options, then the Option Holder shall:

- (a) pay to the Company, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance;
- (b) authorize the Company, on behalf of the Option Holder, to sell in the market on such terms and at such time or times as the Company determines a portion of the Common Shares being issued upon exercise of the Options to realize cash proceeds to be used to satisfy the required tax remittance; or
- (c) make other arrangements acceptable to the Company to fund the required tax remittance.

3.9 *ADJUSTMENTS*

If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the “Event”), the Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Shares in an amount less than 500 Shares shall be issued upon the exercise of the Options unless such amount of Shares represents the balance left to be exercised under the Options.

3.10 *EXERCISE RESTRICTIONS*

The Board may, at the time an Option is awarded or upon renegotiation of the same, attach restrictions relating to the exercise of the Option, including vesting provisions. Any such restrictions shall be recorded on the applicable Option Certificate.

Notwithstanding the above, Options issued to Consultants performing Investor Relations Activities must vest in stages over at least twelve months with not more than one-quarter of the Options vesting in any three month period.

3.11 *REPRESENTATIONS*

For Options granted to Employees, Consultants or Management Company Employees, the Company will represent that the Option Holder is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

ARTICLE IV EXERCISE OF OPTION

4.1 *EXERCISE OF OPTION*

An Option may be exercised only by the Option Holder or his Personal Representative. An Option Holder or his Personal Representative may exercise an Option in whole or in part, subject to any applicable exercise restrictions, at any time or from time to time during the Exercise Period up to 5:00 p.m. (Vancouver time) on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 *ISSUE OF SHARE CERTIFICATES*

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of the Shares available under the Option.

4.3 *CONDITION OF ISSUE*

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of any stock exchange or exchanges on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any

information, report and/or undertakings required to comply with and to fully cooperate with the Company in complying with such laws, rules and regulations.

4.4 *MONITORING OF TRADES*

An Option Holder who performs Investor Relations Activities shall provide written notice to the Board of each of his trades of securities of the Company, within five business days of each trade.

ARTICLE V ADMINISTRATION

5.1 *ADMINISTRATION*

The Plan shall be administered by the Board, or an Administrator on the instructions of the Board or such committee of the Board formed in respect of matters relating to the Plan. The Board or such committee may make, amend and repeal at any time and from time to time such regulations not inconsistent with this Plan as it may deem necessary or advisable for the proper administration and operation of this Plan and such regulations shall form part of this Plan. The Board may delegate to the Administrator or any Director, Employee or officer of the Company such administrative duties and powers as it may see fit.

5.2 *INTERPRETATION*

The interpretation by the Board or its authorized committee of any of the provisions of this Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

ARTICLE VI APPROVALS, AMENDMENTS AND TERMINATION

6.1 *APPROVALS REQUIRED FOR PLAN*

Prior to its implementation by the Company, this Plan is subject to the receipt of approval by the shareholders of the Company at a general meeting and approval of the Exchange.

6.2 *PROSPECTIVE AMENDMENT*

Subject to applicable regulatory approval, the Board may from time to time amend this Plan and the terms and conditions of any Option thereafter to be awarded and, without limiting the generality of the foregoing, may make such amendments for the purpose of meeting any changes in any relevant law, Exchange policy, rule or regulation applicable to this Plan, any Option or the Shares, or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment.

6.3 *RETROACTIVE AMENDMENT*

Subject to applicable regulatory approval, the Board may from time to time retroactively amend this Plan and may also, with the consent of the affected Option Holders, retroactively amend the terms and conditions of any Options which have been previously awarded.

6.4 *EXCHANGE APPROVAL*

With the consent of affected Option Holders, the Board may amend the terms of any outstanding Option so as to reduce the number of optioned Shares, increase the Exercise Price, or cancel an Option without Exchange approval. Any other amendment will be subject to receiving prior Exchange approval.

6.5 *SHAREHOLDER APPROVAL*

This Plan must be approved by the Company's shareholders annually, at a duly called meeting of the shareholders. Disinterested shareholder approval (as defined in Exchange policy) will be required for: (i) any reduction in the exercise price of Options granted to Insiders, if the Option Holder is an Insider of the Company at the time of the proposed amendment; and (ii) the situations where the Plan, together with all other outstanding options, could result at any time in:

- (a) the number of shares reserved for issuance under stock options granted to Insiders exceeding 10% of the Company's issued Shares;
- (b) the grant to Insiders, within a 12 month period, of a number of options exceeding 10% of the Company's issued Shares;
- (c) the issuance to any one Option Holder, within a 12 month period, of a number of Shares exceeding 5% of the Company's Shares, or
- (d) such other maximum amounts as may allowable under the policies of the Exchange.

6.6 *TERMINATION*

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination the Company, such Options and such Option Holders shall continue to be governed by the provisions of this Plan.

6.7 *AGREEMENT*

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of this Plan.

END OF DOCUMENT

Schedule A
LIONS GATE METALS CORP.

STOCK OPTION PLAN

Option Certificate

This certificate is issued pursuant to the provisions of the Lions Gate Metals Corp. (the "Company") Stock Option Plan (the "Plan") and evidences that (*Name of Optionee*) _____ is the holder of an option (the "Option") to purchase up to _____ (*Number of Shares*) common shares (the "Shares") in the capital stock of the Company at a purchase price of \$_____ per Share. Subject to the provisions of the Plan:

- (a) the Award Date of this Option is _____ (*insert date of grant*); and
(b) the Expiry Date of this Option is _____ (*insert date of expiry*).

The right to purchase Shares under the Option will vest in the Holder in increments over the term of the Option as follows:

Date	Cumulative Number of Shares which may be Purchased

This Option may be exercised in accordance with its terms at any time and from time to time from and including the Award Date through to and including up to 5:00 p.m. (Vancouver time) on the Expiry Date, by delivering to the Company an Exercise Notice, in the form provided in the Plan, together with this certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

**IMPORTANT INFORMATION REGARDING
INCOME TAX WITHHOLDING REQUIREMENTS**

The Company shall not be obligated to cause the issuance, transfer or delivery of a certificate or certificates representing Optioned Shares to the Optionee, until provision has been made by the Optionee, to the satisfaction of the Company, for the payment of the aggregate exercise price for all Optioned Shares for which the Option shall have been exercised, and for satisfaction of any tax withholding obligations associated with such exercise.

This certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

By countersigning this Option Certificate:

- (a) the Option Holder acknowledges that the Option Holder has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Certificate;
- (b) The undersigned hereby consents to:
- (i) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6A of the policies of the Exchanged attached hereto) pursuant to this Form; and
- (ii) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in the attached Appendix 6A or as otherwise identified by the Exchange, from time to time.

IN WITNESS WHEREOF the parties hereto have executed this Option Certificate as of the ____ day of _____, 20____.

Lions Gate Metals Corp.

«Name», Option Holder

Per: _____
Authorized Signatory

Schedule B
EXERCISE NOTICE

To: The Administrator, Stock Option Plan
Lions Gate Metals Corp. (the "Company")

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: _____ Shares
 - (ii) multiplied by the Exercise Price per Share: \$ _____
- TOTAL EXERCISE PRICE, enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder (please print)

SCHEDULE “B”

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (“**Committee**”) is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting; and (c) financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements; (ii) review and appraise the performance of the Company’s external auditors; (iii) provide an open avenue of communication among the Company’s auditors, financial and senior management and the board of directors; and (iv) to ensure the highest standards of business conduct and ethics.

Composition

The Committee shall be comprised of three directors as determined by the board of directors, the majority of who shall be free from any relationship that, in the opinion of the board of directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the board of directors at its first meeting following the annual shareholders’ meeting. Unless a chair is elected by the full board of directors, the members of the Committee may designate a chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- a. Review and update this Charter annually.
- b. Review the Company’s financial statements, MD&A, any annual and interim earning statements and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

External Auditors

- a. Review annually the performance of the external auditors who shall be ultimately accountable to the board of directors and the Committee as representatives of the shareholders of the Company.
- b. Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.
- c. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

- d. Take or recommend that the full board of directors take appropriate action to oversee the independence of the external auditors.
- e. Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- f. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- g. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- h. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- i. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- a. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- b. Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- c. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- d. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- e. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- f. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- g. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- h. Review certification process for certificates required under Multilateral Instrument 52-109.
- i. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- a. Review any related party transactions.
- b. Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters ("Concerns") relating to the Company such that:
 - i. an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;
 - ii. the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and
 - iii. the Committee retains all records relating to any Concerns reported by an individual for a period the Committee judges to be appropriate.