

Suite 400 – 409 Granville Street
Vancouver, British Columbia V6C 1T2
Telephone: (604) 678-2531
Facsimile: (604) 678-2532

INFORMATION CIRCULAR

March 6, 2012

INTRODUCTION

This Information Circular accompanies the Notice of Annual and Special Meeting (the “Notice”) and is furnished to shareholders holding common shares in the capital of **Yale Resources Ltd.** (the “Company”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual and special meeting (the “Meeting”) of the shareholders to be held at 10:00 a.m. on Tuesday, April 10, 2012 at the offices of the Company, 400, 409 Granville Street, Vancouver, B.C. V6C 1T2 or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is March 6, 2012. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the record date of March 6, 2012 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “Designated Persons”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE

NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “Transfer Agent”), at its offices located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. Alternatively, the completed form of proxy may be delivered to the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder’s attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially-certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder’s attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY’S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of common shares can be recognized and acted upon at the Meeting. 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). Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting.

The Company does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“Broadridge”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of common shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the common shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote common shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its common shares voted at the Meeting.**

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

Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his or her common shares.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. As of the record date, determined by the Company’s board of directors to be the close of business on March 6, 2012, a total of 80,841,379 common shares were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Only registered shareholders as of the record date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or with the provisions of applicable corporate legislation. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "Board").

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four (4). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at four (4).

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

| Name, Province, Country of Residence and Position(s) with the Company | Principal Occupation | Director Since | Number of Shares Beneficially Owned or Controlled |
|--|-----------------------------|---------------------------|--|
| Ian Foreman, P.Geo. ⁽²⁾ B.C., Canada Director | Professional Geoscientist | January 19, 2005 | 2,046,834 ⁽¹⁾ |
| David Hall, C.A. ⁽²⁾ B.C., Canada Director | Mining Executive | May 27, 1988 | 7,841 ⁽¹⁾ |
| Lindsay Bottomer, P.Geo. B.C., Canada Director | Professional Geoscientist | December 1, 2005 | 225,000 ⁽¹⁾ |
| Edmundo Uribe ⁽²⁾ Arizona, U.S.A. Director | Environmental Consultant | February 11, 2008 | 0 |

Notes:

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at March 6, 2012, based upon information furnished to the Company by the individual directors and upon information derived from insider reports filed on SEDI.
- (2) Member of the Audit Committee.

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Company's Articles, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

Orders

No proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, “order” means:

- (a) a cease trade order;
- (b) an order similar to access trade order; or
- (c) an order that denied the relevant company access to any exemption and securities legislation, that was in effect for a period of more than 30 consecutive days.

Bankruptcies

No proposed director of the Company is, or was, within the ten (10) years before the date of this Information Circular, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by management of the Company.

Penalties or Sanctions

No proposed director of the Corporation has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

The following discussion and analysis covers the compensation paid to the individuals who served as Chief Executive Officer and Chief Financial Officer of the Company, together with any other executive officer of the Company or its subsidiaries or other individual who had total compensation in excess of \$150,000, during the financial year ended October 31, 2011 (each such person, a “Named Executive Officer” or “NEO”).

Compensation Discussion and Analysis

The overall objective of the Company’s compensation strategy is to offer medium-term and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest caliber and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the chief executive officer, if any, in this regard. The Company currently has medium-term and long-term compensation components in place, and intends to further develop these compensation components. The objectives of the Company’s compensation policies and procedures are to align the interests of the Company’s employees with the interests of the Company’s shareholders. Therefore a significant portion of the total compensation is based upon overall corporate performance.

The Company does not have in place a Compensation and Nominating Committee. All tasks related to developing and monitoring the Company’s approach to the compensation of officers of the Company and to developing and monitoring the Company’s approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company’s employees is reviewed, recommended and approved by the independent directors of the Company.

The Company chooses to grant stock options to NEOs to satisfy the long-term compensation component. The Board may consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant. The Board considers that the payment of such discretionary annual cash bonuses satisfies the medium term compensation component. In the future, the Board may also consider the grant of options to purchase common shares of the Company with longer future vesting dates to satisfy the long term compensation component.

Option-based awards

In accordance with Policy 4.4 of the TSX Venture Exchange (the “Exchange”), the directors of the Company have adopted the 2011 Stock Option Plan (the “Plan”), subject to shareholder and Exchange approval. The Plan complies with the requirements of Exchange Policy 4.4 for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding shares of the Company are to be reserved at any time for issuance on the exercise of stock options. As the number of shares reserved for issuance under the Plan increases with the issue of additional shares by the Company, the Plan is considered to be a “rolling” stock option plan.

NEO Summary Compensation Table

Particulars of compensation paid to each NEO in the most recently completed financial year is set out in the summary compensation table below:

| Name and Principal Position | Year Ending | Salary ⁽²⁾ (\$) | Share-based Awards ⁽³⁾ (\$) | Option-based Awards ⁽⁴⁾ (\$) | Non-equity Incentive Plan Compensation ⁽¹⁾ (\$) | | Pension Value (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|-----------------------------|-------------|----------------------------|--|---|--|---------------------------|--------------------|-----------------------------|-------------------------|
| | | | | | Annual Incentive Plans | Long-term Incentive Plans | | | |
| Ian Foreman C.E.O. | 2011 | 72,000 | Nil | 15,000 | Nil | Nil | Nil | Nil | 84,000 |
| | 2010 | 72,000 | Nil | Nil | Nil | Nil | Nil | Nil | 72,000 |
| | 2009 | 72,000 | Nil | 20,000 | Nil | Nil | Nil | Nil | 92,000 |
| Ezra Jimenez C.F.O. | 2011 | \$60,000 | Nil | 10,000 | Nil | Nil | Nil | Nil | 70,000 |
| | 2010 | \$60,000 | Nil | Nil | Nil | Nil | Nil | Nil | 60,000 |
| | 2009 | \$60,000 | Nil | 7,500 | Nil | Nil | Nil | Nil | 67,500 |

Notes

- (1) “Non-equity Incentive Plan Compensation” includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.
- (2) The value of perquisites including property or other personal benefits provided to an NEO that are generally available to all employees, and that in the aggregate are worth less than \$50,000, or are worth less than 10% of an NEO’s total salary for the financial year are not reported herein.
- (3) “Share-based Awards” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.
- (4) “Option-based Awards” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features. The value of the option-based award was determined using the Black-Scholes option-pricing model.

For compensation related to previous years, please refer to the Company’s Management Information Circulars available at www.sedar.com.

Incentive Plan Awards for NEOs

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned paid, or payable under an incentive plan.

Outstanding share-based awards and option-based awards

The following table sets forth the share-based awards or option-based awards outstanding as of October 31, 2011.

Outstanding Share-Based Awards and Option-Based Awards

| Name | Option-based Awards | | | | Share-based Awards | |
|--------------|---|----------------------------|------------------------|--|--|--|
| | Number of securities underlying unexercised options (#) | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options (\$) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) |
| Ian Foreman | 400,000 | \$0.10 | Sept. 29/12 | n/a | n/a | n/a |
| | 200,000 | \$0.10 | Jan. 23/14 | n/a | n/a | n/a |
| | 100,000 | \$0.10 | Aug. 10/14 | n/a | n/a | n/a |
| Ezra Jimenez | 200,000 | \$0.10 | Sept. 29/12 | n/a | n/a | n/a |
| | 100,000 | \$0.10 | Jan. 23/14 | n/a | n/a | n/a |
| | 200,000 | \$0.10 | Aug. 10/14 | n/a | n/a | n/a |

Notes

- (1) The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on October 31, 2011. The closing price of the common shares on October 31, 2011, the last day that the stock traded prior to the October 31, 2011 year end, was \$0.04.

For more information about option-based awards, see Particular of Matters to be Acted Upon – Approval 2012 Stock Option Plan. All stock options granted by the Company to its NEOs during the most recent completed fiscal year and in prior years and currently outstanding were fully vested and exercisable on the date of grant and exercise price represented the market price of the underlying common shares as at that date. As such, no dollar value of options vested (being, the difference between the market price of the underlying common shares and the option exercise price on the vesting date) was realized by any of the Company’s NEOs during the fiscal year ended October 31, 2011. The Company did not issue any share-base awards to the NEOs. The Company does not provide a non-equity incentive plan to its NEOs.

Pension Plan Benefits

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

Termination and Change of Control Benefits

The Company has no contract, agreement, plan or arrangement that provides for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO’s responsibilities.

Director Compensation Table

The following table sets forth the details of compensation provided to the directors of the Company who are not Named Executive Officers during the Company’s most recently completed financial year. For information on compensation provided to the Company’s Named Executive Officers, see “Statement of Executive Compensation – Summary Compensation Table” above.

| Name | Fees Earned (\$) | Share-based Awards (\$) | Option-based Awards (\$) ⁽¹⁾ | Non-Equity Incentive Plan Compensation (\$) | Pension Value (\$) | All Other Compensation (\$) | Total (\$) |
|------------------|------------------|-------------------------|---|---|--------------------|-----------------------------|------------|
| David Hall | Nil | Nil | \$12,750 | Nil | Nil | Nil | \$12,750 |
| Lindsay Bottomer | Nil | Nil | \$12,750 | Nil | Nil | Nil | \$12,750 |
| Edmundo Uribe | Nil | Nil | \$10,000 | Nil | Nil | Nil | \$10,000 |

Notes

- (1) The value of the option-based award was determined using the Black-Scholes option-pricing model.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized at the end of the Company’s most recently completed financial year.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
|--|---|---|---|
| Equity compensation plans approved by security holders | 5,000,000 | \$0.10 | 3,084,138 |

| | | | |
|--|-----------|--------|-----------|
| Equity compensation plans not approved by security holders | n/a | n/a | n/a |
| Total | 5,000,000 | \$0.10 | 3,084,138 |

Note

(1) Total consists of 5,000,000 common shares issuable on exercise of outstanding stock options as at October 31, 2011.

A copy of the Company's 2012 Stock Option Plan is available for review at the office of the Company at Suite 400 – 409 Granville Street, Vancouver, British Columbia V6C 1T2 up to and including the date of the Meeting. See "Particulars Of Matters To Be Acted Upon – Approval of 2012 Stock Option Plan", below.

APPOINTMENT OF AUDITOR

Management proposes that Smythe Ratcliffe PKF, 7th Floor, Marine Building, 355 Burrard Street, Vancouver, BC V6C 1G8, be re-appointed auditor of the Company for the ensuing year at a remuneration to be negotiated between the Auditor and the Directors.

Management recommends that shareholders vote in favour of the appointment of Smythe Radcliffe PKF, Chartered Accountants, as the Company's auditors for the Company's fiscal year ending October 31, 2012.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* ("NI 52-110") of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee Charter

The Company's Audit Committee is governed by an audit committee charter, the text of which is attached as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The Company's Audit Committee is comprised of three directors consisting of Ian Foreman, David Hall, and Edmundo Uribe. Messrs. Hall and Uribe are independent. As defined in NI 52-110, Mr. Foreman, as the Company's Chief Executive Officer, is not "independent". All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Ian Foreman

Ian Foreman is a Professional Geoscientist with over 17 years experience in the mining industry. He is the principal of Foremost Geological Consulting, a non-reporting company in the business of providing geological and management services to the mining industry. Mr. Foreman graduated with honours from Queen's University and has worked in a wide spectrum of geological environments involving both base and precious metals. He is currently a director of Silver Sun Resources Corp. and a director of Newton Gold Corp., listed on the TSX Venture Exchange

David Hall

Mr. Hall is President and Chief Executive officer of Aurizon Mines and has been a Director of Aurizon since its inception in 1988. Mr. Hall is a Chartered Accountant who has been involved in the management of mineral exploration, development and operating companies since 1981 and has been instrumental in securing significant project and equity financing.

Edmundo Uribe

Edmundo (Mundo) Uribe Quintana (also know as Edmundo Sanchez Aldana Quintana) is a Mexican-born entrepreneur that has founded a number of successful businesses in Mexico, Canada, and the United States. Mr. Uribe is the founder of Golden Anvil, S.A. de C.V., a Mexican mining company with one project in operation. During the first twenty years of his career, Mr Uribe participated in the introduction of innovative explosive technologies for the mining and construction industries, thus creating a wide network of business associates connected to the Mexican mining and exploration industry.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, the Company’s Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter of the Company. A copy of the Company’s Audit Committee Charter is attached as Schedule “A” to this Information Circular.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

| Financial Year Ended October 31 | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|--|-------------------|---------------------------|-----------------|-----------------------|
| 2011 | \$36,000 | Nil | \$2,000 | Nil |
| 2010 | \$32,500 | Nil | \$1,500 | Nil |

Exemption

The Company is relying on the exemption provided by section 6.1 of National Instrument 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of National Instrument 52-110.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Except as disclosed below, no current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Information Circular.

None of the directors or executive officers of the Company is or, at any time since the beginning of the most recently completed financial year, has been indebted to the Company or its subsidiaries. None of the directors' or executive officers' indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, if any.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed herein, no informed person of the Company, proposed director of the Company or any associate or affiliate of any informed person or proposed director of the Company has had any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, if any.

MANAGEMENT CONTRACTS

No management functions of the Company were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company's approach to corporate governance is set out below.

Board of Directors

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

David Hall, Edmundo Uribe and Lindsay Bottomer are "independent" in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director's ability to act with the best interests of the Company, other than the interests and relationships arising from shareholders. Ian Foreman is an officer of the Company and are therefore not independent.

The operations of the Company do not support a large Board, and the Board has determined that the current size and constitution of the Board is appropriate for the Company's current stage of development. In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of his or her interest to the meeting and abstain from voting on or against the approval of such participation.

Directorships

| Name of Director of the Company | Names of Other Reporting Issuers |
|---------------------------------|--|
| Ian Foreman | Silver Sun Resource Corp. Newton Gold Corp. |
| David Hall | Aurizon Mines Ltd.. |
| Lindsay Bottomer | Newton Gold Corp Driven Capital Corp. Entrée Gold Inc. Far Resources Ltd. BCM Resources Corporation Alita Resources Ltd. Stratbound Minerals Corp. |
| Edmundo Uribe | N/A |

Orientation and Continuing Education

New directors to the Board are provided with access to recent publicly filed documents of the Company, all reports and the Company's internal financial information, access to management, experts and consultants, and a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

Ethical Business Conduct

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

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Company's independent directors are David Hall, Lindsay Bottomer and Edmundo Uribe, who have the responsibility for determining compensation for the directors and senior management. To determine compensation payable, the independent directors review compensation paid for directors and Chief Executive and Financial Officers of corporations of similar size and stage of development in its industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management, while taking into account the financial and other resources of the Company. In setting the compensation, the independent directors annually reviews the performance of the Chief Executive Officer and Chief Financial Officer in light of the Company's objectives.

Other Board Committees

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

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Board and its committees.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, no proposed nominee for election as a director of the Company, and no any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the appointment of auditors or the approval of the Plan.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of 2012 Stock Option Plan

The Company's Plan is a "rolling" stock option plan, in that a maximum of 10% of the issued shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options granted under the Plan. The Exchange requires listed companies that have "rolling" stock option plans in place to receive shareholder approval to such plan on a yearly basis at the Company's annual shareholder's meeting. Accordingly, shareholders of the Company will be asked at the Meeting to ratify and approve the Plan.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, which can be found at www.sedar.com:

1. The exercise price of stock options granted under the Plan will be set by the Board in its sole discretion, at the time of grant and will not be less than the prevailing price permitted by the policies of the Exchange.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of shares in respect of the expired or terminated option shall again be available for the purpose of the Plan.
3. While the Company is a Tier 2 issuer, all options granted under the Plan may not have an expiry date exceeding five years from the date on which the option is granted.
4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued shares of the Company.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued shares of the Company.
6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued shares of the Company.
7. If the option holder ceases to be a director, officer, employee or other service provider of the Company (other than by reason of death, disability and termination of services for cause), as the case may be, then the option granted must expire on the earlier of the expiry date and the date that is 90 days following the date that the option holder ceases to be a director, officer, employee or service provider of the Company.
8. If the option holder ceases to be a director, officer, employee or other service provider of the Company by reason of termination of services for cause, then the option granted shall cease to be exercisable upon such termination for cause.
9. Options held by an option holder who is engaged in investor relations activities must expire on the earlier of the expiry date of the option and the date that is 30 days after the option holder ceases to be employed by the Company to provide investor relations activities, while the Company is a Tier 2 issuer.
10. Notwithstanding items 7 and 8, an optionee's heirs or administrators shall have until the earlier of:

- (a) one year from the death of the optionee; and
- (b) the expiry date of the options,

in which to exercise any options outstanding at the time of death of the optionee.

- 11. Stock options granted to directors, senior officers, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
- 12. The Plan will be administered by the Board of the Company who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
- 13. The options shall not be assignable or transferable by an optionee.
- 14. The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Plan.

The Plan provides that other terms and conditions may be attached to a particular stock option at the discretion of the Board.

As March 6, 2012, there is an aggregate of 5,000,000 options outstanding, which is equal to 6.18% of the issued share capital of the Company.

The Plan is subject to receipt of annual Exchange acceptance to its filing. Shareholders at the Meeting will be asked to pass an ordinary resolution to approve the Plan for the ensuing year. It is the intention of the persons named in the enclosed instrument of proxy, if not expressly directed otherwise in such instrument of proxy, to vote such proxies FOR the ordinary resolution to approve the Plan. An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy. **Management recommends that shareholders vote in favour of the annual approval of the Plan.**

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Shareholders may contact the Company at its office by mail at Suite 400 – 409 Granville Street, Vancouver, British Columbia V6C 1T2, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the year ended October 31, 2011.

OTHER MATTERS

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

The following is the text of the Audit Committee's Charter:

1. Overall Purpose / Objectives

The Audit Committee will assist the Board of Directors in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

2. Authority

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to set and pay the compensation for any advisors employed by the Audit Committee, to ensure the attendance of Company officers at meetings as appropriate and to communicate directly with the Company's external auditors.

3. Organization

Membership

The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will be nominated by the Audit Committee from the members of the Audit Committee which are not officers or employees of the Company, or a company associated or affiliated with the Company, from time to time.

A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company secretary, or such person as nominated by the Chairman.

Attendance at Meetings

The Audit Committee may invite such other persons (e.g. the President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

The proceedings of all meetings will be minuted.

4. Roles and Responsibilities

The Audit Committee will:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Review the interim financial statements and disclosures, and obtain explanations from management on whether:
 - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
 - (b) generally accepted accounting principles have been consistently applied;
 - (c) there are any actual or proposed changes in accounting or financial reporting practices;
 - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure; and
 - (e) review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the company. The Board authorizes the Chairman of the Audit Committee to pre-approve any non-audit or additional audit work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.
- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- 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.
- Establish a procedure for:

- (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
 - Endeavor to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
 - Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
 - Perform other functions as requested by the full Board.
 - If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.
 - Review and recommend updates to the charter; receive approval of changes from the Board.