

## URAVAN MINERALS INC.

### MANAGEMENT PROXY CIRCULAR for the Annual and Special Meeting of Shareholders to be Held on May 20, 2011

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Uravan Minerals Inc. (the "**Company**" or "**Uravan**") for use at the annual and special meeting (the "**Meeting**") of the holders of common shares ("**Common Shares**") of the Company (the "**Shareholders**"), to be held at the Company's office located at Suite 204, 2526 Battleford Avenue S.W., Calgary, Alberta T3E 7J4 on May 20, 2011 at 3:00 P.M. (Calgary time) for the purposes set forth in the accompanying Notice of Meeting.

Unless otherwise stated, the information contained in this Management Proxy Circular is given as at April 25, 2011.

No person has been authorized by the Company to give any information or make any representations in connection with the transactions herein described other than those contained in this Management Proxy Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Company.

### GENERAL PROXY INFORMATION

#### General Meeting Requirements

As at the date hereof, there are 34,240,947 Common Shares issued and outstanding. Each outstanding Common Share is entitled to one vote on any ballot at the Meeting. The board of directors (the "**Board**") of the Company has fixed the record date for the Meeting at the close of business on April 15, 2011 (the "**Record Date**"). The Company will prepare, as of the Record Date, a list of Shareholders entitled to receive the Notice of Meeting and showing the number of Common Shares held by each such Shareholder. Each Shareholder named in the list is entitled to vote the Common Shares shown opposite such Shareholder's name at the Meeting except to the extent that such holder transfers ownership of the Common Shares after the Record Date, in which case the transferee shall be entitled to vote such Common Shares upon establishing ownership and requesting, by 4:30 p.m. (Calgary time) not later than 10 days before the Meeting, to be included in the list of shareholders entitled to vote at the Meeting.

A quorum for the transaction of business at the Meeting shall be present if two Shareholders holding in the aggregate five (5%) percent of the Common Shares entitled to vote at the Meeting are present in person or represented by proxy.

#### Appointment of Proxies

Those Shareholders who desire to be represented at the Meeting by proxy must deposit their proxy with the Proxy Department, Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the day of the Meeting, or adjournment or adjournments thereof. A proxy must be executed by the shareholder or his or her attorney authorized in writing, or if the shareholder is a Company, under its seal by an officer or attorney thereof duly authorized.

The persons named in the accompanying proxy are directors and officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on such Shareholder's behalf at the Meeting other than the persons named in the proxy.** To exercise this right, the Shareholder must strike out the name of the persons named in the proxy and insert the name of his or her nominee in the space provided or complete another appropriate form of proxy and, in either case, deposit the proxy with the Company at the place and within the time specified above for deposit of proxies.

#### Persons Making the Solicitation

The solicitation is made on behalf of the management of the Company. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Management Proxy Circular will be borne by the Company. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or by other means of communication and by directors and officers of the Company, who will not be specifically remunerated therefore. While no arrangements have been made to date by the Company, the Company may contract for the distribution and solicitation of proxies for the Meeting. The costs incurred by the Company in soliciting proxies will be paid by the Company.

### **Exercise of Discretion by Proxy**

The Common Shares represented by the Instrument of Proxy enclosed with this Notice of Meeting and Management Proxy Circular will be voted in accordance with the instructions of the Shareholder. **In the event that no specification is made, the Common Shares will be voted in favour of the matters set forth in the proxy.** If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the proxy and described in the accompanying Notice of Meeting and this Management Proxy Circular, or if any other matters properly come before the Meeting or any adjournment thereof, the proxy confers upon the Shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this Management Proxy Circular, management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

### **Revocation of Proxies**

A Shareholder who has given a proxy has the power to revoke it. If a person who has given a proxy attends personally at the Meeting at which the proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed by the shareholder or its attorney authorized in writing, or, if the shareholder is a Company, under its corporate seal and signed by a duly authorized officer or attorney for the Company, and deposited at the registered office of the Company at any time up to and including the last day (other than Saturdays, Sundays and holidays) preceding the day of the Meeting at which the proxy is to be used, or any adjournment or adjournments thereof, or with the chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, prior to the commencement of the Meeting.

### **Advice to Beneficial Holders of Securities**

The information set forth in this section is of significant importance to many public Shareholders, as a substantial number of the public Shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Management Proxy 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 shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Company do not know for whose benefit the shares registered in the name of CDS & Co. are held.

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, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders 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**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. 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 proxy with an Broadridge sticker on it cannot use that proxy to vote shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.

## **MATTERS TO BE ACTED UPON AT THE MEETING**

### **Presentation of Financial Statements**

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the fiscal year ended December 31, 2010 and the auditors' report on such statements.

### Fixing the Number of Directors

At the Meeting, Shareholders will be asked to fix the number of directors for the present time at five (5) as may be adjusted between shareholders' meetings by way of resolution of the Board. Accordingly, unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of fixing the number of directors to be elected at the Meeting at five (5).

### Election of Directors

At the Meeting, Shareholders will be asked to elect the proposed directors set forth below to hold office until the next annual meeting or until their successors are elected or appointed. There are presently five (5) directors of the Company, each of whom retires from office at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors of the nominees hereinafter set forth to hold office until the next annual meeting, or until their successors are elected or appointed:

Larry Lahusen  
 Michael Lavery  
 Dr. Larry Hulbert  
 Torrie Chartier-Holloway  
 Chris Pettman

The names and places of residence of the persons either nominated for or presently holding office as directors, the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation during the last five years of each are as follows:

Name and Place of Residence	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(3)</sup>	Director Since	Principal Occupation for Past Five Years
Larry Lahusen <sup>(2)</sup> Chief Executive Officer and Director (Chairman) Alberta, Canada	9,417,272	January 19, 1998	Independent geologist and self-employed private business executive since 1974 with a B.Sc. Degree in Geology. Extensive experience over the last 40 years working as an exploration geologist with various private and public companies and other venture capital groups looking for uranium, base metals and precious metal deposits in North America.
Michael Lavery <sup>(1)(2)</sup> Chief Financial Officer and Director Alberta, Canada	479,333	May 27, 1999	Self-employed Chartered Accountant over the last 30 years, President of Comconsult Limited and a director of Glencoe Resources Ltd.

Name and Place of Residence	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(3)</sup>	Director Since	Principal Occupation for Past Five Years
Chris Pettman <sup>(2)</sup> , Vice President of Exploration, Director Alberta, Canada	38,500	November 1, 2010	Mr. Chris Pettman holds a B.Sc. (Hon) in geology from the University of Calgary and a B.A. in economics and political science from Simon Fraser University. He began his career as an associate at an executive recruiting firm before holding both front line and management positions for several large companies. Chris has been a member of the Uravan technical team since 2007. In Uravan's effort to develop new technologies for defining bedrock sources of uranium mineralization, Chris has been working closely and collaboratively with Dr. Kurt Kyser at QFIR (Queen's Facility for Isotope Research) on several studies. Before being promoted to Vice President Exploration on November 1, 2010, Chris acted as project geologist on several uranium projects in both the Thelon and Athabasca basins, involving both drilling and multifaceted geochemical sampling programs.

Name and Place of Residence	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly <sup>(3)</sup>	Director Since	Principal Occupation for Past Five Years
Dr. Larry Hulbert <sup>(1)(2)</sup> Director Alberta, Canada	Nil	May 20, 2011	Dr. Hulbert holds a B.Sc. and M.Sc. from the University of Regina (1975-78) and a D.Sc. from the University of Pretoria, South Africa (1983). Dr. Hulbert has been registered as a Professional Geoscientist since 2003 and as a Qualified Person for the purpose of National Instrument 43-101. From 1984 to 2007 Dr. Hulbert was employed by the Geological Survey of Canada (GSC) conducting research on the Metallogeny of Mafic-Ultramafic Rocks with an emphasis on Ni-Cu-PGE mineralization. Dr. Hulbert left the GSC in 2007. From 2007 to the present he has been working as a Ni-Cu-PGE specialist consulting for exploration companies engaged in Ni-Cu-PGE and Cr-V exploration in Canada, USA and Mexico. Dr. Hulbert has authored numerous professional papers, was a Robinson Distinguished Lecturer for the Geological and Mineralogical Association of Canada, and in 2003 received the Earth Sciences Sector Merit Award from Natural Resources Canada.
Torrie Chartier-Holloway <sup>(1)(2)</sup> Director Alberta, Canada	Nil	May 20, 2011	Ms. Torrie Chartier holds a M.Sc. from Michigan Technology University (1986) and an MBA from the University of Calgary, Alberta (2003). Torrie has been registered as a Professions Geoscientist (P. Geol.) and as a Qualified Person for the purpose of National Instrument 43-101. Torrie has over 20 years of experience in the diamond exploration industry. From 1983 to present Torrie has worked as a independent consultant and diamond exploration specialist, managing exploration projects for various junior diamond companies and has been directly involved in the discovery of kimberlites in the Great Lakes Region of Michigan in the US as well as NWT, Canada and in Western Greenland. In addition to Torrie's diamond exploration carrier, she is the company manager of Elbow River Helicopters Ltd. based in Calgary. The company is family owned by her husband and herself.

## Notes:

- (1) Members of Audit Committee.
- (2) Members of the Compensation Committee.
- (3) Does not include any share options or warrants beneficially owned or controlled by the directors. As of the date hereof, in aggregate, the directors of the Company, as a group, hold options to purchase 2,715,000 Common Shares exercisable at \$0.45 per share. There are no outstanding warrants. As at the date hereof, the directors and officers of the Company, as a group, beneficially owned, directly or indirectly, an aggregate of 9,934,605 Common Shares or approximately 29.01% of the issued and outstanding Common Shares.

**Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Company's executive officers and directors, no proposed director: (i) is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer (including the Company) that, (a) while that person was acting in that capacity was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days, (b) was subject to an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer, which resulted, after that person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or

similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, or (c) while that person was acting in the capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (ii) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets; or (iii) 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. In addition, no proposed director of the Company has, within the 10 years before the date of this document, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold its assets.

### **Appointment of Auditors**

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of Collins Barrow Calgary LLP, to serve as auditors of the Company until the next annual meeting of shareholders and to authorize the directors to fix their remuneration as such. Collins Barrow Calgary LLP was first appointed as the Company's auditors in 2004.

### **Re-Approval of Share Option Plan**

The rules of the TSX Venture Exchange ("**TSXV**") require that a company ratify any "rolling" 10% share option plans at each annual meeting of shareholders. Accordingly, at the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the Company's rolling share option plan (the "**Share Option Plan**") which authorizes the Board to issue share options to directors, officers, employees and other service providers as detailed below. The Share Option Plan will permit the granting of options to acquire common shares in a number equal to 10% of the Company's issued and outstanding share capital.

The Share Option Plan includes the following:

- (a) the total number of Common Shares issuable pursuant to the Share Option Plan shall not exceed 10% of the aggregate of the issued and outstanding Common Shares on the date of grant;
- (b) the number of Common Shares reserved for issuance, within a one-year period, to any one optionee shall not exceed 5% of the number of issued and outstanding Common Shares;
- (c) the maximum number of Common Shares reserved for issuance pursuant to options granted to Insiders at any time may not exceed 10% of the number of issued and outstanding Common Shares;
- (d) the maximum number of Common Shares which may be issued to Insiders, within a one-year period, may not exceed 10% of the number of issued and outstanding Common Shares;
- (e) the maximum number of Common Shares which may be issued to any one insider and the associates of such insider, within a one-year period, may not exceed 5% of the number of issued and outstanding Common Shares; and
- (f) the exercise price of any option subject to the Share Option Plan shall not be less than the current market price of the Common Shares, which shall mean the most recent closing price per share for Common Shares on the last trading day preceding the date of grant on which there was a closing price on the TSXV (or if the Common Shares are not listed on the TSXV, on such stock exchange as the Common Shares are then traded).

A copy of the Share Option Plan will be available for inspection at the Meeting and will be sent to any shareholder upon request.

At the Meeting, shareholders will be asked to consider and, if thought fit, approve an ordinary resolution in the following form:

"BE IT RESOLVED THAT:

1. the Share Option Plan be and the same is hereby ratified, confirmed and approved;
2. the total number of Common Shares issuable under the Share Option Plan shall not exceed 10% of the aggregate of the issued and outstanding Common Shares on the date of the grant;
3. any one director or officer of the Company be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
4. notwithstanding that this resolution has been passed by the shareholders of the Company, the proposed amendment of the existing Share Option Plan is conditional upon receipt of final approval from any stock exchange having jurisdiction and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

In order to be passed, the foregoing resolution must be approved by the affirmative vote of a simple majority of the votes cast by the Shareholders who vote in person or by proxy at the Meeting. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the Share Option Plan.**

#### **Recommendation of the Board.**

**The Board unanimously recommends that shareholders ratify, confirm and approve the Share Option Plan by voting in favour of the resolution to be submitted to the Meeting.**

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares ("**Preferred Shares**"), all without nominal or par value. As at the date hereof, there are 34,240,947 Common Shares and no Preferred Shares issued and outstanding. The Preferred Shares are not entitled to be voted at the Meeting.

To the best of the Company's knowledge and based on existing information, as at the date hereof, there are no persons who own, control or direct, directly or indirectly, more than 10% of the outstanding Common Shares, except as set forth below:

Name and Municipality of Residence	Number of Common Shares Held	Percentage of Common Shares Held
Larry Lahusen Bragg Creek, Alberta	9,417,272 <sup>(1)</sup>	27.50%

Note:

- (1) 1,587,800 Common Shares are held indirectly and through a company which is controlled by Larry Lahusen.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

##### **Role and Composition of the Board**

UraVan's executive compensation program is administered by the Compensation Committee. The Board's mandate with respect to compensation includes evaluating senior management and developing appropriate compensation policies for the senior management and directors of the Company, including the Named Executive Officers (as defined below) which are identified in the "*Summary Compensation Table*" below. The duties and responsibilities of the Board with respect to compensation are further described in this Management Proxy Circular under the heading "*Corporate Governance Disclosure - Compensation*". During the year ended December 31, 2010, the Board was comprised of Messrs. Larry Lahusen, Michael Lavery, Theodore Renner,

William Grafham, Bob Drury and Chris Pettman. Messrs. William Grafham, Theodore Renner and Bob Drury are "independent" for the purposes of National Instrument 58-201 – *Corporate Governance Guidelines* ("NI 58-201"). Messrs. Larry Lahusen, Michael Lavery and Chris Pettman are not "independent" for the purposes of NI 58-201 as they are executive officers of the Company.

## **Compensation Discussion and Analysis**

### ***Executive Compensation Principles***

Our compensation program is based on the principle that compensation should be aligned with the objectives and vision of the Company and the Shareholders' interests. Senior management recognizes that the Company's corporate performance is dependant upon retaining highly trained, experienced and committed directors, executive officers and employees who have the necessary skill sets, education, experience and personal qualities required to manage our business. Our program also recognizes that the various components thereof must be sufficiently flexible to adapt to unexpected developments in the mining industry and the impact of internal and market-related occurrences from time to time.

Our executive compensation program is comprised of the following principal components: (a) base salary; (b) short-term incentive compensation comprised of discretionary cash and/or share bonuses; and (c) long-term incentive compensation comprised of share options. See "*Incentive Plans*". Together, these components support our long-term growth strategy and are designed to address the following key objectives of our compensation program:

- align executive compensation with the objectives and vision of the Company and Shareholders' interests;
- attract and retain highly qualified management with an appropriate level of incentives;
- focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results; and
- encourage retention of key executives for leadership succession.

The aggregate value of these principal components and related benefits, is used as a basis for assessing the overall competitiveness of the Company's executive compensation package. When determining executive compensation, including the assessment of the competitiveness of the Company's compensation program, the Board reviews the compensation practices of companies in its selected peer group. These companies compete with UraVan for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Company's peer group for these purposes is comprised of approximately three or four similar sized companies based upon such factors as revenue, total assets, free cash flow, capital expenditures and number of employees. For this purpose, the Company obtains industry reports and general compensation surveys conducted by independent consultants and professional associations.

The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, is examined by the Board in conjunction with setting executive compensation packages. The Board does not set specific performance objectives in assessing the performance of the President and Chief Executive Officer and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation. The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, are examined by the Board in conjunction with setting executive compensation packages. The Board does not set specific performance objectives in assessing the performance of the President and Chief Executive Officer and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation package for the President and Chief Executive Officer and other executive officers. Some of the factors looked at by the Board in assessing the performance of the Company and its executive officers are as follows: (a) project development milestones; (b) capital costs on a share price basis; and (c) the Company's performance for all of the above relative to its goals and objectives and in relation to the performance of its industry peer group.



## *Elements of our Executive Compensation Program*

### *Base Salaries*

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities. The annualized amount of such billings is comparable with the compensation of executive officers of other members of our peer group. It also provides a foundation upon which performance based incentive compensation elements are assessed and established. Senior management bills time to the Company on a per diem basis through personally held consulting corporations.

### *Short-Term Incentive Compensation - Cash Bonuses*

In addition to base salaries, the Company has the discretion to issue bonuses, upon recommendation of management to executive officers. Bonuses do not make up a consistent portion of the Company's compensation strategy due to its current stage of development and case position. The Company may also from time-to-time issue share bonuses in certain circumstances.

### *Long Term Incentive Compensation – Share options*

Due to the junior nature of the Company and its operations, the high cash requirements of the Company's operations and the present stage of the Company's developments, The Company grants most of its "bonus" incentives in the form of share option awards.

Executive officers, along with all of Uruvan's officers, directors, employees and consultants retained by the Company, are eligible to participate in the Share Option Plan. The Share Option Plan and the Common Shares reserved thereunder have been approved by Shareholders. The Share Option Plan promotes an ownership perspective among executives, encourages the retention of key executives and provides an incentive to enhance shareholder value by furthering the Company's growth and profitably. As with most companies in the Company's peer group, share options form an integral component of the total compensation package provided to the Company's executive officers. Participation in the Share Option Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Share Option Plan enables executives to develop and maintain a significant ownership position in the Company.

Share options are normally awarded by the Board upon the commencement of an individual's employment with the Company based on the level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of share options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Company. In considering additional grants, we evaluate the number of share options an individual has been granted, the exercise price and value of the share options and the term remaining on those share options. See "*Incentive Plans – Share Option Plan*" for a description of the detailed terms of our Share Option Plan.

### *Summary*

The Company's compensation policies have allowed the Company to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing shareholder value. The Board will continue to review compensation policies to ensure that they are competitive within the mining industry and consistent with the performance of the Company.

### **Summary Compensation Table**

The following table sets forth, for the year ended December 31, 2010, information concerning the compensation paid to our Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") (each a "**Named Executive Officer**" or "**NEO**" and collectively, the "**Named Executive Officers**" or "**NEOs**"). During the year ended December 31, 2010, the Company did not have any executive officers, other than the CEO and CFO, whose total compensation was more than \$150,000.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(2)</sup>	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Larry Lahusen <sup>(3)</sup> Chief Executive Officer and Director	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	35,000	Nil	Nil	Nil	Nil	35,000
Michael Lavery <sup>(4)</sup> Chief Financial Officer and Director	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008	Nil	Nil	17,500	Nil	Nil	Nil	Nil	17,500

Notes:

- (1) Reflects "Options" issued under the Share Option Plan. Based on the grant date fair value of the applicable awards. The grant date fair value for compensation purposes is calculated using Black-Scholes Option pricing methodology.
- (2) The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than \$50,000 or 10% of the Named Executive Officer's total salary for the financial year.
- (3) Fees charged on a per diem basis on a consulting arrangement, aggregating in \$151,309/year as noted in the Company's financial statements.
- (4) Fees charged on a per diem basis on a consulting arrangement, aggregating in \$6,000/year as noted in the Company's financial statements.

### **Share Option Plan**

The Company has a Share Option Plan which permits the granting of non-transferable options ("**Options**") to purchase Common Shares to directors, officers, key employees and consultants ("**Optionees**") of the Company. The Share Option Plan is intended to afford persons who provide services to the Company an opportunity to obtain an increased proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Share Option Plan is administered by the Board.

The Share Option Plan currently limits the number of Common Shares that may be issued on exercise of Options to a number not exceeding 10% of the number of Common Shares which are outstanding from time to time. Options that are cancelled, terminated or expired prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Share Option Plan. As the Share Option Plan is a "rolling" plan, the issuance of additional Common Shares by the Company or the exercise of Options will also give rise to additional availability under the Share Option Plan.

The number of Common Shares issuable pursuant to Options granted under the Share Option Plan or any other security-based compensation arrangements of the Company: (i) to any one Optionee in a 12 month period may not exceed 5% of the outstanding Common Shares; (ii) issuable to insiders at any time shall not exceed 10% of the issued and outstanding Common Shares; (iii) issued to insiders within any one-year period may not exceed 10% of the outstanding Common Shares; and (iv) to any one insider and the associates of such insider may not exceed 5% of the issued and outstanding Common Shares.

Options issued under the Share Option Plan may be exercisable for a period not exceeding five years and vest as determined by the Board on the date of grant.

Options issued pursuant to the Share Option Plan shall have an exercise price that shall not be less than the current market price of the Common Shares, which shall mean the most recent closing price per share for Common Shares on the last trading day preceding the date of grant on which there was a closing price on the TSXV (or if the Common Shares are not listed on the TSXV, on such stock exchange as the Common Shares are then traded).

In the event an Optionee ceases to be a director, officer or key employee of the Company, any Option previously granted to such Optionee shall be exercisable until the earlier of: (i) the end of the Option period as set forth in the grant; or (ii) the expiration of 90 days from the date of the normal retirement of such participant, or one year from the date of the death or permanent disability

of such participant, and then, in the event of death or permanent disability, only by the person or persons to whom the participant's rights under the Option shall pass by the participant's will or applicable law, and only to the extent that the Optionee was entitled to exercise the Option as at the date of the holder's death or permanent disability.

Without the priory approval of the Shareholders, the Board may not: (i) make any amendment to the Share Option Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time; (ii) reduce the exercise price of any outstanding Options; (iii) extend the term of any outstanding Options beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be issued to Insiders (as such term is defined in the Share Option Plan); (v) make any amendment to increase the maximum number of Common Shares issuable on exercise of Options to directors who are not officers or employees of the Company; (vi) make any amendment to the Share Option Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; or (vii) amend the restrictions on amendments that are provided in the Share Option Plan. Subject to restrictions set out above, the Board may amend or discontinue the Share Option Plan and Options granted thereunder at any time, without shareholder approval, provided that any amendment to the Share Option Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Share Option Plan or Options granted pursuant to the Share Option Plan may be made without the consent of the Optionee if it adversely alters or impairs any Option previously granted to such Optionee.

The policies of the TSXV require that the Share Option Plan be approved every year by Shareholders. The Share Option Plan was last approved by Shareholders at our annual and special meeting held on May 21, 2010.

## Incentive Plan Awards

### *Outstanding Share-Based Awards and Option-based Awards*

The Company did not have any share-based awards outstanding at the end of the most recently completed financial year.

Options are normally recommended by the Company's management and approved by the Board upon the commencement of employment with the Company based on the level of responsibility within the Company. Additional grants may be made periodically, generally on an annual basis, to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Company. When determining Options to be allocated to eligible participants, a number of factors are considered including a the number of outstanding Options held by such individual, the value of such Options and the total number of available Options for grant.

The following table sets forth for each Named Executive Officer all option-based awards outstanding at the end of the year ended December 31, 2010.

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 <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Larry Lahusen	500,000	0.62	04/02/2011	(110,000)	-	-
	50,000	0.16	01/12/2014	12,000	-	-
Michael Lavery	150,000	0.62	04/02/2011	(33,000)	-	-
	100,000	0.62	06/12/2012	(22,000)	-	-
	50,000	0.16	01/12/2014	12,000	-	-

Note:

- (1) Calculated based on the difference between the market price of the Common Shares at December 31, 2010 and the exercise price of the Options.

***Incentive Plan Awards – Value Vested or Earned During the Year***

The following table sets forth for each Named Executive Officer, the value of option-based awards which vested during the year ended December 31, 2010 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2010. The Company did not have any share-based awards outstanding at the end of the most recently completed financial year.

<b>Name</b>	<b>Option-based awards – Value vested during the year<sup>(1)</sup> (\$)</b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Larry Lahusen	-	-	-
Michael Lavery	-	-	-

Note:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Option on the vesting date and the exercise price of the Options.

**Pension Plan Benefits**

The Company does not have a pension plan or similar benefit program.

**Director Compensation**

Uravan does not currently pay cash fees for services to its independent directors. Each of the non-management directors participate in the Share Option Plan. Each non-management director receives an annual grant of Options.

***Directors' Summary Compensation Table***

The following table sets forth for the year ended December 31, 2010, information concerning the compensation paid to our directors other than directors who are also Named Executive Officers.

<b>Name</b>	<b>Fees earned (\$)</b>	<b>Share- based awards (\$)</b>	<b>Option- based awards<sup>(1)</sup> (\$)</b>	<b>Non-equity incentive plan compensation (\$)</b>	<b>Pension value (\$)</b>	<b>All other compensation (\$)</b>	<b>Total (\$)</b>
William Grafham	-	-	16,500	-	-	-	16,500
Theodore Renner	-	-	27,000	-	-	-	27,000
Bob Drury	-	-	18,000	-	-	-	18,000
Chris Pettman <sup>(2)</sup>	-	-	70,652	-	-	-	70,652

Notes:

- (1) Based on the grant date fair value of the applicable Options. The grant date fair value of the Options was calculated using the Black - Scholes Option pricing model.
- (2) Mr. Pettman was appointed to the Board on November 1, 2010.

***Directors' Outstanding Option-Based Awards and Share-Based Awards***

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, all option-based awards outstanding at the end of the year ended December 31, 2010. The Company does not have any outstanding share-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 <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
William Grafham	150,000	0.62	12/06/2012	(33,000)	-	-
William Grafham	50,000	0.16	01/12/2014	12,000		
Theodore Renner	150,000	0.62	02/04/2011	(33,000)	-	-
Theodore Renner	150,000	0.62	12/06/2012	(33,000)	-	-
Theodore Renner	50,000	0.16	01/12/2014	12,000		
Bob Drury	150,000	0.16	01/12/2014	36,000	-	-
Chris Pettman <sup>(2)</sup>	250,000	0.30	11/01/2015	25,000	-	-
Chris Pettman <sup>(2)</sup>	15,000	0.60	04/20/2013	(6,000)		
Chris Pettman <sup>(2)</sup>	25,000	0.16	01/12/2014	6,000		

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options at December 31, 2010 and the exercise price of the Options.
- (2) Mr. Pettman was appointed to the Board on November 1, 2010.

#### *Directors' Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, the value of option-based awards which vested during the year ended December 31, 2010 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2010. The Company does not have any share-based awards outstanding.

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Bob Drury	-	-	-
William Grafham	-	-	-
Theodore Renner	-	-	-
Chris Pettman <sup>(2)</sup>	-	-	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date and the exercise price of the Options on the vesting date.
- (2) Mr. Pettman was appointed to the Board on November 1, 2010.

#### **Securities Authorized for Issuance Under Equity Compensation Plans**

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at December 31, 2010.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders <sup>(1)</sup>	2,715,000	\$0.45	709,095
Equity compensation plans not approved by securityholders	-	-	-
<b>Total</b>	<b>2,715,000</b>	<b>\$0.45</b>	<b>709,095</b>

Note:

- (1) The Share Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of its Common Shares from time to time. See "*Incentive Plans-Share Option Plan*".

## **CORPORATE GOVERNANCE DISCLOSURE**

Set forth below is a description of the Company's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. The requirements of Form 58-101F2 are set out below in italics:

### **The Board**

*Disclose the identity of directors who are independent.*

William Grafham and Theodore Renner are independent directors.

*Disclose the identity of directors who are not independent, and describe the basis for that determination.*

Larry Lahusen, Michael Lavery and Chris Pettman are not independent directors as they are executive officers of the Company.

### **Directorships**

*If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.*

None of the directors of the Company are presently directors or trustees of other reporting issuers.

### **Orientation and Continuing Education**

*Describe what steps the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.*

While the Company does not currently have a formal orientation and education program for new recruits to the Board, the Company has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Company, as well as information on the Company's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Company's particular circumstances, including the size of the Company, limited changes to members of the Board and the experience and expertise of the members of the Board.

## **Ethical Business Conduct**

*Describe what steps the Board takes to encourage and promote a culture of ethical business conduct.*

The Board has adopted a formal Code of Business Conduct for directors and officers of the Company. Directors and officers will be required to sign acknowledgements that they have read and understand the Code of Business Conduct. A copy of the Code of Business Conduct is posted on SEDAR at [www.SEDAR.com](http://www.SEDAR.com).

## **Nomination of Directors**

*Describe what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates; and (ii) the process of identifying new candidates.*

Pursuant to their mandate, the Board has the responsibility of recruiting and recommending new members to the Board. At present, the Board has not identified the need to add any new directors. However, it is expected that any new candidates will be identified having regard to: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The Board reviews on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

## **Compensation**

*Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation; and (ii) the process of determining compensation.*

The Board is responsible for: (i) evaluating senior management; and (ii) developing appropriate compensation policies for the senior management and directors of the Company, including the Share Option Plan. The initial grant of Options is made at the time of recruitment and reviewed annually. Other than the granting of Options, no salary or bonuses have been paid to any directors or officers of the Company.

## **Other Board Committees**

*If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.*

The Board does not have any standing committees other than the Audit Committee and Compensation Committee.

## **Assessments**

*Disclose what steps, if any, the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.*

The Board makes annual assessments regarding the effectiveness of the Board itself, committees and individual directors in fulfilling their responsibilities.

## **AUDIT DISCLOSURE**

The Audit Committee of the Board is a committee established for the purpose of overseeing the accounting and financial reporting process of the company and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the company's internal accounting standards and practises, financial information, accounting systems and procedures, which procedures are set out below in the Company's Audit Committee mandate attached as Schedule "A".

### Audit Committee Members

Messrs. Michael Lavery, Theodore Renner, William Grafham and are the members of the Audit Committee. Messrs. Renner and Grafham are independent directors, while Mr. Lavery is the CFO and not independent. All members of the Audit Committee are financially literate, and their qualifications and experience are as follows:

<b>Name and Municipality of Residence</b>	<b>Independent</b>	<b>Financially literate</b>	<b>Relevant Education and Experience</b>
Michael Lavery Calgary, Alberta	No	Yes	President of Comconsult Limited, Director of Glencoe Resources Ltd. and Comcare Resources Ltd.
Theodore Renner Owen Sound, Ontario	Yes	Yes	Self-employed private business executive with B.Sc. Degree in Mechanical Engineering and MBA. Extensive experience work as senior management in the oil and gas resource industry for various public companies and venture capital groups.
William Grafham Calgary, Alberta	Yes	Yes	Self-employed business executive with 30 years of experience in the securities industry, management of venture capital primarily for natural resources companies, private equity and international venture capital partnerships.

### External Auditor Fees

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Company by its external auditors.

### Audit Service Fees

The following table discloses fees billed to the Company for the last two fiscal years by the Company's independent auditors, Collins Barrow Calgary LLP:

<b>Type of Service Provided</b>	<b>2010</b>	<b>2009</b>
Audit Fees:	\$48,000	\$48,000
Audit-Related Fees:	-	-
Tax Fees:	\$3,500	\$4,000
All Other Fees:	-	-
<b>Total</b>	<b>\$51,500</b>	<b>\$52,000</b>

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit and a quarterly review of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

### Exemptions

The Company relies on section 6.1 of Multilateral Instrument 52-110 – *Audit Committees*.



## **INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON**

Management of the Company is not aware of any material interest of any director or nominee for director, or senior officer or any one who has held office as such since the beginning of the Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors and as disclosed herein. See "*Matters to be Acted Upon at the Meeting – Election of Directors*".

Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act* (Alberta) (the "**ABCA**"). The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

There were no material interests, direct or indirect, of directors or executive officers of the Company, any shareholder who beneficially owns, controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other "Informed Person" (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## **OTHER MATTERS COMING BEFORE THE MEETING**

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Management Proxy Circular. However, if any other matter properly comes before the Meeting, the forms of proxy furnished by the Company will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at [www.sedar.com](http://www.sedar.com). Financial information in respect of the Company and its affairs is provided in the Company's annual audited comparative financial statements for the year ended December 31, 2010 and the related management's discussion and analysis. Copies of the Company's financial statements and related management discussion and analysis are available upon request from Larry Lahusen, CEO of the Company, (403) 264-2630.

## SCHEDULE "A"

### AUDIT COMMITTEE MANDATE

#### Introduction

Uravan Minerals Inc. ("**Uravan**" or the "**Corporation**") is an Alberta-based mineral exploration company. The Board of Directors of the Corporation (the "**Board**") has the responsibility for the overall stewardship of the conduct of the business of the Corporation and its subsidiaries and the activities of management of the Corporation, which is responsible for the day-to-day conduct of the business.

#### Purpose

The overall purpose of the Audit Committee (the "**Committee**") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls and disclosure controls and procedures, to review and report on the integrity of the financial statements of the Corporation, to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts.

#### Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board, and the composition of the Committee shall be such that it satisfies the "independence" requirements of Multilateral Instrument 52-110, *Audit Committees*.
2. All of the members of the Committee shall be "financially literate" (i.e. able 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 those of the Corporation and that can be reasonably expected to be raised by the Corporation's financial statements).
3. The Board shall appoint the members of the Committee. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair from among their members.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet in person or by teleconference at such times and in such locations as may be required in order for the Committee to fulfill its obligations under this mandate. As an alternative to formal meetings, the Committee may, by written resolution, approve the financial statements, management's discussion and analysis and press releases of the Corporation. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee where financial statements are being considered and for which the external auditors provided an audit report or review; and

- (c) the following management representatives shall be invited to attend all meetings, except executive sessions and private sessions with the external auditors:

President and Chief Executive Officer  
Chief Financial Officer

- (d) other management representatives shall be invited to attend as necessary.

8. The external auditors shall report directly to the Committee and the external auditors and internal auditors (if any) shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee of the Corporation as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.
9. The Committee may retain, at the Corporation's expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties and may set and pay the compensation for any advisor engaged. The Committee will notify the Chairman of the Board whenever independent consultants are engaged.

### **Roles and Responsibilities**

10. The overall duties and responsibilities of the Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly financial statements and management's discussion and analysis;
  - (b) to establish and maintain a direct line of communication with the Corporation's internal (if any) and external auditors and assess their performance;
  - (c) to assist the Board in the discharge of its responsibilities relating to oversight of the Company's internal, financial and disclosure controls and procedures;
  - (d) to periodically review the audit and non-audit services pre-approval policy and recommend to the Board any changes which the Committee deems appropriate;
  - (e) to periodically consider whether there is a need to outsource internal audit functions or create an internal audit department;
  - (f) to receive and review complaints received pursuant to the Corporation's Whistleblower Policy and oversee and provide direction on the investigation and resolution of such concerns and to periodically review the said policy and recommend to the Board changes which the Committee may deem appropriate;
  - (g) to report regularly to the Board on the fulfilment of its duties and responsibilities;
  - (h) to identify and monitor the management of the principal risks that could impact the financial reporting of the Corporation; and
  - (i) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
11. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;

- (b) to recommend to the Board a firm of external auditors to be nominated for appointment by the shareholders of the Corporation, and to monitor and verify the independence of such external auditors;
- (c) to review and approve the fee, scope and timing of the audit and other audit related and non-audit services rendered by the external auditors;
- (d) review the audit plan of the external auditors prior to the commencement of the audit;
- (e) to review with the external auditors, upon completion of their audit:
  - (i) contents of their report;
  - (ii) scope and quality of the audit work performed;
  - (iii) adequacy of the Corporation's financial and auditing personnel;
  - (iv) co-operation received from the Corporation's personnel during the audit;
  - (v) internal resources used;
  - (vi) significant transactions outside of the normal business of the Corporation;
  - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
  - (viii) the non-audit services provided by the external auditors, as pre-approved pursuant to the audit and non-audit services pre-approval policy;
- (f) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles;
- (g) to review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
- (h) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

12. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:

- (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- (b) review compliance under the Corporation's Code of Business Conduct Policy with those matters addressed in the policy which affect the financial integrity of the Corporation and to periodically review this policy and recommend to the Board changes which the Committee may deem appropriate; and
- (c) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal accounting staff or by the external auditors have been implemented.

13. The Committee is also charged with the responsibility to:
- (a) review and recommend to the Board for its approval, the Corporation's annual financial statements, management's discussion and analysis, annual information form and annual earnings press releases before the Corporation publicly discloses this information;
  - (b) review and approve the Corporation's interim financial statements, interim management's discussion and analysis including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto and interim earnings press releases before the Corporation publicly discloses this information;
  - (c) review and approve the financial sections of:
    - (i) the annual report to shareholders, if any;
    - (ii) the annual information form, if any;
    - (iii) prospectuses;
    - (iv) other public reports requiring approval by the Board; and
    - (v) press releases related thereto,
 and report to the Board with respect thereto;
  - (d) review regulatory filings and decisions as they relate to the Corporation's financial statements;
  - (e) review the appropriateness of the policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (f) review and report on the integrity of the Corporation's financial statements;
  - (g) review the minutes of any audit committee meeting of any subsidiary of the Corporation;
  - (h) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the financial statements;
  - (i) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of material facts; and
  - (j) develop a calendar of activities to be undertaken by the Committee for each ensuing year related to the Committee's duties and responsibilities as set forth in this Charter and to submit the calendar in the appropriate format to the Board within a reasonable period of time following each annual general meeting of shareholders.

#### **Annual Review and Assessment**

The Committee shall conduct an annual review and assessment of its performance, including compliance with this Charter and its role, duties and responsibilities.