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INFORMATION CIRCULAR
as at March 12, 2012
(except as otherwise indicated)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Musgrove Minerals Corp. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held on April 16th, 2012 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

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

GENERAL PROXY INFORMATION

Solicitation of Proxies

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

Appointment of Proxyholders

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

Voting by Proxyholder

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

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

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

- i) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Trust Company of Canada, by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;
- ii) using a touch-tone phone to transmit voting choices to a toll free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- iii) using the internet through the website of the Company's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number:

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

Beneficial Shareholders

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

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 (an "intermediary"). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

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

There are two kinds of Beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOs" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for Non-Objecting Beneficial Owners).

The Company is taking advantage of the provisions of National Instrument 54-101 "Communication with Beneficial Owners of Securities of a Reporting Issuer" that permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from our transfer agent, Computershare Trust Company of Canada ("Computershare"). These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instructions. Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

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

If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted or to have an alternate representative duly appointed to attend and to vote your Common Shares at the Meeting.

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada.

Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

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

- a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized and by delivering the proxy bearing a later date to Computershare Trust Company of Canada, or at the address of the registered office of the Company at Second Floor, 8338-120th Street, Surrey, British Columbia, V3W 3N4, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

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

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

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "Board") of the Company has fixed March 12th, 2012 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares. As at the record date, there were 45,321,868 Common Shares without par value issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the record date.

The following documents filed with the securities commission or similar regulatory authority are referenced in this Information Circular:

- (1) the November 30, 2011 audited year end financial statements, the report of the auditor, and related management discussion and analysis, as filed on SEDAR at www.sedar.com; and
- (2) the Audit Committee Charter attached as a schedule to the Information Circular for the Company's annual general meeting of shareholders held May 13, 2005, and filed on SEDAR at www.sedar.com on April 20, 2005.

The audited financial statements of the Company for the year ended November 30, 2011, together with the report of the auditor thereon and related management and discussion and analysis, will be placed before the Meeting.

The documents incorporated by reference can be accessed at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

Three quarters affirmative votes cast at the Meeting is required to pass the special resolution for the consolidation and a simple majority of votes cast at the Meeting is required to pass the ordinary resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The the Board of the Company has fixed the number of directors at four (4). The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("BCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's four nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the record date.

Name of Nominee; Current Position with the Company and Province or State and Country of Residence	Occupation, Business or Employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
T. GREG HAWKINS British Columbia, Canada	<p>T. Greg Hawkins has been involved in the Mining Exploration and Investment industry since 1969. He has been variously responsible for the identification and/or delineation of 10 mineral deposits in Canada, USA, Chile, Ghana, Mali and Zaire (DRC). He has lived in Canada, Nigeria and Ghana while pursuing a career in mining exploration and mining investment. In acting as Founding Project Consultant and/or Founding Director of seven public and private Exploration/Development ventures (Brohm Mining, Dayton Mining, Nevsun Resources, Banro Resource Corp, Tagish Lake Gold Corp, African Gold Group, Yellowhead Mining) he has been responsible for the definition of a resource/reserve in every case with five cases that have resulted in production in the USA, Chile, Ghana, Mali and DRC.</p> <p>In 1990 he started CME, an international full service consultancy and contracting firm which included Spectral International Geophysics, Eagle Drilling and ATS Inc. The Network has served over 100 clients in 18 countries and has employed over 3000 people.</p> <p>He is the author and presenter of a number of exploration papers on exploration, exploration philosophy and mineral economics since 1979.</p> <p>In 2004 he was awarded the Frank Woodside Past Presidents Award by the British Columbia and Yukon Chamber of Mines in recognition of his outstanding contribution to the mining industry.</p> <p>He is a member of a number of boards: co-founder and chairman of Yellowhead Mining Inc. (YMI); he is a director of New Pacific Metals Corp (TSXV:NUX), Discovery Corp Enterprises (DCY), and Cielo Gold Corp. (CMC).</p> <p>He holds a BSc in Geology from the University of Alberta and an MSc in Mineral Economics from McGill University.</p>	March, 2012	Nil

<p>RANA VIG CEO & President British Columbia, Canada</p>	<p>President and CEO of Musgrove Minerals Corp. Mr. Vig is an entrepreneur with 28 years of business experience during which time he has been pivotal in launching five business ventures in the private sector. Mr. Vig was also the Executive V.P. of RTN Stealth Software Inc., now known as “Quantitative Alpha Trading”, publicly traded corporation and a leader in algorithmic securities trading systems.</p> <p>Beyond private enterprise, he is a former chair of the Open Learning Agency, an active investor, and has served on several public company boards and committees - QMI Seismic Inc. (QSS) Cielo Gold (CMC); and currently serves on the boards of ONA Power Corp (OPO); Arris Holdings (AAF) and Orofino Minerals Inc. (ORR). He is also active in numerous charitable and community organizations acting as chair, director and advisor for many.</p>	<p>July, 2011</p>	<p>1,299,000</p>
<p>THOMAS TOUGH Director British Columbia, Canada</p>	<p>Mr. Tough has held directorships and officer positions in numerous public and private companies, including the role of president and chief executive officer, and a director of Desert Sun Mining Corp. for 18 years. In April, 2006, Yamana Gold Inc. purchased the company and its producing gold mine in Brazil for approximately \$667-million. Mr. Tough was the past president and chief executive officer of Potash One Inc., and continued to serve as a director until the company was sold to K+S Potash, a large German potash producer, in January, 2011, for approximately \$434-million.</p> <p>Mr. Tough has more than 40 years experience as a self-employed consulting professional engineer in 40 countries. In the course of his career, he has been involved in property examinations, writing qualifying reports, project evaluations, project acquisitions and negotiations, mine evaluations, underground and surface exploration, reserve and resource estimations, mine and mill planning and processing, prefeasibility and feasibility studies, development and production, open pit and underground, as operator, project manager, and consultant on precious and base metals, industrial minerals, gemstones, coal and CBM gas, and oil and gas. He has negotiated corporate financings and joint venture partnerships, and has dealt with various levels of domestic and foreign government bodies.</p> <p>Currently, Mr. Tough is a director of Maxtech Ventures, Grenville Gold Corp., Firebird Resources Inc., president and a director of GTO Resources Inc., president and a director of Chimata Gold Corp., a director of Desert Gold Ventures Inc., and a director of Cielo Gold Corp. He holds a BSc in geology from the University of British Columbia, and is registered as a life member of the Association of Professional Engineers and Geoscientists of British Columbia.</p>	<p>September, 2011</p>	<p>Nil</p>

<p>NORMAN BREWSTER Director British Columbia, Canada</p>	<p>Mr. Brewster, PGeo, has been the president and chief executive officer of Cadillac Ventures Inc. since October, 2007, and served as interim president and chief executive officer of Iberian Minerals Corp. (formerly known as PGM Ventures Corporation) from January, 2008, to June, 2008. Prior to that, Mr. Brewster served as executive chairman of Iberian Minerals Corp. of which he was a co-founder and currently serves as non-executive chairman and director. Iberian Minerals has completed financing of construction and development of a 6,500-ton-per-day (2.2-million-ton-per-year) Aguas Teidas, VMS base metal deposit in the Iberian pyrite belt of Southern Spain. During the development of the Agua Teidas deposit Mr. Brewster on behalf of Iberian conducted negotiations which resulted in the purchase of the Condestable copper deposit in Peru which produces at the rate of 6,500 tonnes per day.</p> <p>Mr. Brewster has raised equity finances for several junior mining companies and has created acquisition and exploration strategies for such companies. Currently he is a director of International Millennium Mining Corporation, Renforth Resources Inc. and Celeste Copper Corp. and Iberian Minerals Corp.</p> <p>In 1983, Mr. Brewster started his own consulting company, Minroc Management Ltd., and has gained geological and management experience operating throughout North America, the Caribbean, South America, Africa, Europe and Russia. Mr. Brewster has 40 years' experience in the mining industry, predominantly in international exploration. During his education, Mr. Brewster gained experience as a geologist through various international assignments for A.C.A. Howe International. He is a professional geologist with the Association of Professional Geoscientists of Ontario and fellow, Geological Association of Canada. Mr. Brewster graduated from Acadia University in Nova Scotia in 1969 with a BSc in geology and BEd degree in 1971.</p>	<p>October,2011</p>	<p>170,000</p>
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Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees.

New Director Information

Rana Vig

Currently the President and CEO, Mr. Vig is an entrepreneur with 28 years of business experience during which time he has been pivotal in launching five business ventures in the private sector. Mr. Vig was also the Executive V.P. of RTN Stealth Software Inc., now known as “Quantitative Alpha Trading”, publicly traded corporation and a leader in algorithmic securities trading systems.

Beyond private enterprise, he is a former chair of the Open Learning Agency, an active investor, and has and continues to serve on several public company boards and committees - ONA Power Corp (OPO); Arris Holdings (AAF); Orofino Minerals Inc. (ORR). He is also active in numerous charitable and community organizations acting as chair, director and advisor for many.

Thomas Tough

Mr. Tough has held directorships and officer positions in numerous public and private companies, including the role of president and chief executive officer, and a director of Desert Sun Mining Corp. for 18 years. In April, 2006, Yamana Gold Inc. purchased the company and its producing gold mine in Brazil for approximately \$667-million. Mr. Tough was the past president and chief executive officer of Potash One Inc., and continued to serve as a director until the company was sold to K+S Potash, a large German potash producer, in January, 2011, for approximately \$434-million.

Mr. Tough has more than 40 years experience as a self-employed consulting professional engineer in 40 countries. In the course of his career, he has been involved in property examinations, writing qualifying reports, project evaluations, project acquisitions and negotiations, mine evaluations, underground and surface exploration, reserve and resource estimations, mine and mill planning and processing, prefeasibility and feasibility studies, development and production, open pit and underground, as operator, project manager, and consultant on precious and base metals, industrial minerals, gemstones, coal and CBM gas, and oil and gas. He has negotiated corporate financings and joint venture partnerships, and has dealt with various levels of domestic and foreign government bodies.

Currently, Mr. Tough is a director of Maxtech Ventures, Grenville Gold Corp., Firebird Resources Inc., president and a director of GTO Resources Inc., president and a director of Chimata Gold Corp., a director of Desert Gold Ventures Inc., and a director of Cielo Gold Corp. He holds a BSc in geology from the University of British Columbia, and is registered as a life member of the Association of Professional Engineers and Geoscientists of British Columbia.

Norman Brewster

Mr. Brewster, PGeo, has been the president and chief executive officer of Cadillac Ventures Inc. since October, 2007, and served as interim president and chief executive officer of Iberian Minerals Corp. (formerly known as PGM Ventures Corporation) from January, 2008, to June, 2008. Prior to that, Mr. Brewster served as executive chairman of Iberian Minerals Corp. of which he was a co-founder and currently serves as non-executive chairman and director. Iberian Minerals has completed financing of construction and development of a 6,500-ton-per-day (2.2-million-ton-per-year) Aguas Teidas, VMS base metal deposit in the Iberian pyrite belt of Southern Spain. During the development of the Agua Teidas deposit Mr. Brewster on behalf of Iberian conducted negotiations which resulted in the purchase of the Condestable copper deposit in Peru which produces at the rate of 6,500 tonnes per day.

Mr. Brewster has raised equity finances for several junior mining companies and has created acquisition and exploration strategies for such companies. Currently he is also a director of Iberian Minerals Corp. Renforth Resources Inc., Celeste Copper Corp. and International Millenium Mining Corporation.

In 1983, Mr. Brewster started his own consulting company, Minroc Management Ltd., and has gained geological and management experience operating throughout North America, the Caribbean, South America, Africa, Europe and Russia. Mr. Brewster has 40 years experience in the mining industry, predominantly in international exploration. During his education, Mr. Brewster gained experience as a geologist through various international assignments for A.C.A. Howe International. He is a professional geologist with the Association of Professional Geoscientists of Ontario and fellow, Geological Association of Canada. Mr. Brewster graduated from Acadia University in Nova Scotia in 1969 with a BSc in geology and BEd degree in 1971.

T. Greg Hawkins

Mr. T. Greg Hawkins has been involved in the Mining Exploration and Investment industry since 1969. He has been variously responsible for the identification and/or delineation of 10 mineral deposits in Canada, USA, Chile, Ghana, Mali and Zaire (DRC). He has lived in Canada, Nigeria and Ghana while pursuing a career in mining exploration and mining investment. In acting as Founding Project Consultant and/or Founding Director of seven public and private Exploration/Development ventures (Brohm Mining, Dayton Mining, Nevsun Resources, Banro Resource Corp, Tagish Lake Gold Corp, African Gold Group, Yellowhead Mining) he has been responsible for the definition of a resource/reserve in every case with five cases that have resulted in production in the USA, Chile, Ghana, Mali and DRC.

In 1990 he started CME, an international full service consultancy and contracting firm which included Spectral International Geophysics, Eagle Drilling and ATS Inc. The Network has served over 100 clients in 18 countries and has employed over 3000 people.

He is the author and presenter of a number of exploration papers on exploration, exploration philosophy and mineral economics since 1979.

In 2004 he was awarded the Frank Woodside Past Presidents Award by the British Columbia and Yukon Chamber of Mines in recognition of his outstanding contribution to the mining industry.

He is a member of a number of boards: co-founder and chairman of Yellowhead Mining Inc. (YMI); he is a director of New Pacific Metals Corp (TSXV:NUX), Discovery Corp Enterprises (DCY), and Cielo Gold Corp. (CMC).

He holds a BSc in Geology from the University of Alberta and an MSc in Mineral Economics from McGill University.

Cease Trade Orders and Bankruptcies

Except as disclosed below, no proposed director is, as at the date of this Information Circular, or has been within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company in respect of which the Information Circular is being prepared) that:

- 1) was subject to a cease trade or similar order that was issued while the proposed director was acting in that capacity as director, chief executive officer or chief financial officer; or
- 2) was subject to a cease trade or similar 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;

Or is, at the date of this Information Circular, or has been within ten years before the date of this Information Circular, a director or executive officer of any company (including the Company in respect of which the Information Circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

Or has, within the ten years before the date of the Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, a receiver manager or trustee appointed to hold the assets of the proposed director.

APPOINTMENT OF AUDITOR

Dale, Matheson, Carr-Hilton, Labonte, LLP, Chartered Accountants, 1500-1140 West Pender Street, Vancouver, British Columbia, V6E 4G1 will be nominated at the Meeting for appointment as auditor of the Company.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators *Audit Committees* (“NI 52-110”) requires the Company, as a TSX-V issuer, to disclose annually in its Information Circular, certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The Board adopted a charter for the audit committee in accordance with NI 52-110. The text of the audit committee charter (excluding specified definitions of independence and financial literacy under stock exchange policies and securities law) was attached as a schedule to the Company’s Information Circular dated April 8, 2005 in connection with the Company’s annual general meeting of shareholders held May 13, 2005 and is available on Sedar at www.sedar.com. The audit committee reviews all financial statements of the Company prior to their publication, reviews audits or communications, recommends the appointment of independent auditors, reviews and approves the professional services to be rendered by them and reviews fees for audit services. The audit committee meets both separately with auditors (without management present) as well as with management present. At the meetings with the auditors, the audit committee discusses the various aspects of the Company’s financial presentation in the areas of audit risk and Canadian and U.S. generally accepted accounting principles.

Composition of the Audit Committee

The Company’s current members on the Audit Committee are: Thomas Tough, Rana Vig (Chair) and Norman Brewster. Rana Vig is a non-independent member of the audit committee due to Mr. Vig, being the President and Chief Executive Officer of the Company. The audit committee typically meets quarterly. All members are considered to be financially literate.

Relevant Education and Experience

The Audit Committee members have many years of practical business experience, have served for many years as directors of public companies, have experience reviewing financial statements of public companies and meet the criteria of “financially literate” as outlined in NI 52-110.

Thomas R. Tough

Mr. Tough has held directorships and officer positions in numerous public and private companies, including the role of president and chief executive officer, and a director of Desert Sun Mining Corp. for 18 years. In April, 2006, Yamana Gold Inc. purchased the company and its producing gold mine in Brazil for approximately \$667-million. Mr. Tough was the past president and chief executive officer of Potash One Inc., and continued to serve as a director until the company was sold to K+S Potash, a large German potash producer, in January, 2011, for approximately \$434-million.

Mr. Tough has more than 40 years’ experience as a self-employed consulting professional engineer in 40 countries. In the course of his career, he has been involved in property examinations, writing qualifying reports, project evaluations, project acquisitions and negotiations, mine evaluations, underground and surface exploration, reserve and resource estimations, mine and mill planning and processing, prefeasibility and feasibility studies, development and production, open pit and underground, as operator, project manager, and consultant on precious and base metals, industrial minerals, gemstones, coal and CBM gas, and oil and gas. He has negotiated corporate financings and joint venture partnerships, and has dealt with various levels of domestic and foreign government bodies.

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a life member of the Association of Professional Engineers and Geoscientists of British Columbia.

Rana Vig

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Beyond private enterprise, he is a former chair of the Open Learning Agency, an active investor, and has and continues to serve on several public company boards and committees - ONA Power Corp (OPO); Arris Holdings (AAF); Orofino Mineral Inc. (ORR). He is also active in numerous charitable and community organizations acting as chair, director and advisor for many.

Norman Brewster

Mr. Brewster, PGeo, has been the president and chief executive officer of Cadillac Ventures Inc. since October, 2007, and served as interim president and chief executive officer of Iberian Minerals Corp. (formerly known as PGM Ventures Corporation) from January, 2008, to June, 2008. Prior to that, Mr. Brewster served as executive chairman of Iberian Minerals Corp. of which he was a co-founder and currently serves as non-executive chairman and director. Iberian Minerals has completed financing of construction and development of a 6,500-ton-per-day (2.2-million-ton-per-year) Aguas Teidas, VMS base metal deposit in the Iberian pyrite belt of Southern Spain. During the development of the Agua Teidas deposit Mr. Brewster on behalf of Iberian conducted negotiations which resulted in the purchase of the Condestable copper deposit in Peru which produces at the rate of 6,500 tonnes per day.

Mr. Brewster has raised equity finances for several junior mining companies and has created acquisition and exploration strategies for such companies. Currently he a director of Iberian Minerals Corp., Renforth Resources Inc., Celeste Copper Corp. and International Millenium Mining Corporation. In 1983, Mr. Brewster started his own consulting company, Minroc Management Ltd.

Audit Committee Oversight

The audit committee has not made any recommendations to the board of directors to nominate or compensate any external auditor.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

Fees incurred for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Incurred Due to Auditor in Year Ended November 30, 2011.	Fees Paid to Auditor in Year Ended November 30, 2010.
Audit Fees ⁽¹⁾	\$15,000	\$63,233
Audit-Related Fees ⁽²⁾	\$nil	\$875
Tax Fees ⁽³⁾	\$1,500	\$1,500
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$16,500	\$65,608

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews 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

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its audit committee and in respect of the Company's reporting obligations under NI 52-110 for the year ended November 30, 2011. Under this section a company is exempt from the requirement to have all of its audit committee members be independent as would otherwise be required by section 3.1 of NI 52-110.

CORPORATE GOVERNANCE

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board of the Company is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The board facilitates its independent supervision over management by maintaining two outside directors.

The independent members of the Board of Directors of the Company are Norman Brewster and Thomas Tough and T. Greg Hawkins. The non-independent director is Rana Vig (President and Chief Executive Officer of the Company).

Directorships

NAME OF DIRECTOR

NAME OF REPORTING ISSUER

T. Greg Hawkins

Yellowhead Mining Inc. (TSXV);
New Pacific Metals Corp (TSXV)
Discovery Corp Enterprises, (TSXV);
Cielo Gold Corp. (CNSX)

Rana Vig

Orofino Minerals Inc. (TSX-V)
Ona Power Corp. (CNSX)
Arris Holdings Inc. (CNSX)

Norman Brewster

Cadillac Ventures Inc. (TSX.V)
Iberian Minerals Corp. (TSX-V)
International Millenium Mining Corporation (TSX-V)
Renforth Resources Inc. (CNSX)
Celeste Copper Corp. (TSX-V)

Thomas Tough

Grenville Gold Corp. (TSX-V)
Maxtech Ventures Inc. (TSX.V)
Cielo Gold Corp. (CNSX)
Firebird Resources Inc. (TSX-V)
GTO Resources Inc. (TSX-V)
Chimata Gold Corp. (TSX-V)
Desert Gold Ventures (TSX-V)

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's business and industry and on the responsibilities of directors.

Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

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 directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

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

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

Compensation

There are no arrangements under which directors were compensated by the Company and its subsidiaries during the most recently completed financial year for their services in their capacity as directors or consultants.

Committees of the Board of Directors

The Board has established only an audit committee at the present time.

Assessments

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

COMPENSATION AND DISCUSSION ANALYSIS

Executive and Employee Compensation Objectives and Philosophy

The Company's compensation policies and programs are designed to be competitive with similar mineral exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. The significant objectives, elements and formula for compensation awarded to, earned by, paid to, or payable to Named Executive Officers (NEOs) for the year ended November 30, 2011, were to:

- (i) Attract and retain experienced and talented executive officers;
- (ii) Inspire excellence in the performance of executive officers; and
- (iii) Align shareholder and executive officer interests.
- (iv) To reward both demonstration of leadership and performance

Compensation Review Process

The Company has not awarded any compensation to any of its executive officers, other than the granting of incentive stock options. The Board of Directors is responsible for determining all forms of compensation to be awarded to our Chief Executive Officer and to the directors, and for reviewing our Chief Executive Officer's recommendations respecting compensation of the other executive officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position.

The Company does not have a formal compensation program with set benchmarks, however, the Company does have a compensation program which seeks to reward an executive officer's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers.

Elements of Executive Compensation Program

The Company's compensation program consists of the following elements:

- (a) Base salary or consulting fees;
- (b) Bonus payments; and
- (c) Equity participation through the Company's stock option plan.

Base Salary or Consulting Fees

Base salary ranges for executive officers were initially determined upon a review of companies within the mining industry, which were of the same size as the Company, at the same stage of development as the Company and considered comparable to the Company.

In determining the base salary of an executive officer, the Board considers the following factors:

- (a) The particular responsibilities related to the position;

- (b) Salaries paid by other companies in the mining industry which were similar in size as the Company;
- (c) The experience level of the executive officer;
- (d) The amount of time and commitment which the executive officer devotes to the Company; and
- (e) The executive officer's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Payments

Each of the executive officers, as well as all employees, is eligible for an annual bonus, payable in cash or through sock-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash flow and share price performance) and operational criteria (such as significant mineral property acquisitions, resource growth and the attainment of corporate milestones).

Although the Company was successful in achieving certain corporate milestones during the financial year ended November 30, 2011, in light of the decline in the Company's market capital during the fourth quarter of 2011 due to the worldwide economic conditions, the Company did not award any bonuses during the last financial year.

Equity Participation

The Company for equity participation in the Company through its stock option plan. The granting of stock options is intended to encourage the maximization of shareholder value by better aligning the interests of the executive officers with the interests of shareholders.

Stock options granted to the Named Executive Officers during the most recently completed financial year are disclosed herein under the heading, "Executive Compensation – Summary Compensation Table".

Option-based Awards

The Company has in place a share option plan dated for reference April 7, 2006, as amended (the "Plan"). The Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the Board. The Plan provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants of the Company or a subsidiary of the Company. All options expire on a date not later than ten/10 years after the issuance of such option. Previous grants of option-based awards are taken into account when considering new grants of options. Subject to the requirements of the policies of the TSX-V and the prior receipt of any necessary regulatory approval, the Board may, in its absolute discretion, amend or modify the Plan or any outstanding option granted under the Plan, as to the provisions set out in the Plan.

The process by which the Board grants option-based awards to executive officers is that the Board approves base salaries, annual cash incentives and stock options at the same time to facilitate consideration of target direct compensation to executive officers. Options are granted at other times of the year to individuals commencing employment with the Company. The exercise price for the options is the closing price of the stock on the date of grant or the day after the grant if the grant day falls on a weekend or non-market day.

SUMMARY COMPENSATION TABLE

The compensation paid to the NEOs during the Company's most recently completed financial year of November 30, 2011 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Share-based awards ⁽²⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation ⁽³⁾ (\$)		Pension value (\$)	All other compensation (\$)	Total compensation ⁽³⁾ (\$)
					Annual incentive plans	Long-term incentive plans			
Jack Bal (former) CEO	2011	75,000	Nil	Nil	Nil	Nil	Nil	Nil	75,000
	2010	84,000	Nil	Nil	Nil	Nil	Nil	Nil	84,000
	2009	84,000	Nil	45,000	Nil	Nil	Nil	Nil	129,000
Lorne Torhjem (former) CFO	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2010	7,500	Nil	Nil	Nil	Nil	Nil	Nil	7,500
	2009	400	Nil	12,000	Nil	Nil	Nil	Nil	12,400
Jamie Lewin (new) CFO	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rana Vig (new) CEO	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Includes the dollar value of cash and non-cash base salary earned during a financial year covered. If the company cannot calculate the amount of salary earned in a financial year, disclose this in a footnote, along with the reason why it cannot be determined. Restate the salary figure the next time the company prepares this form, and explain what portion of the restated figure represents an amount that the company could not previously calculate.

(2) This amount represents the dollar amount based on the grant date fair value of the award for the year ended November 30, 2010 using the Black-Scholes pricing model.

(3) These amounts include all amounts set out in table from for each NEO and executive officer.

INCENTIVE PLAN AWARDS

Outstanding Share-based Awards and Option based Awards

The following table sets out all share-based awards and option-based awards outstanding as at November 30, 2011.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$) ⁽²⁾	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 (\$)
Jack Bal, CEO (former)	37,500	0.80	June 1, 2014	N/A	N/A	N/A
	50,000	0.80	April 2, 2012	N/A	N/A	N/A
	18,750	2.56	Feb 1, 2013	N/A	N/A	N/A
	18,750	3.20	Feb 23, 2012	N/A	N/A	N/A
	500,000	0.20	Feb.15,2016	N/A	N/A	N/A

Rana Vig CEO (new)	250,000	0.20	Feb.15,2016	N/A	N/A	N/A
Lorne Torhjem, (former) CFO	25,000 250,000	0.80 0.20	Apr 2 , 2014 Feb.15,2016	N/A N/A	N/A N/A	N/A N/A
Benjamin Herring (former) Director	200,000	0.20	Feb 15, 2016	N/A	N/A	N/A
Roger Scammell (former) Director	200,000	0.20	Feb.15, 2016	N/A	N/A	N/A

(1)These stock options are fully vested

(2)Amount is based on the grant date fair value of the award for the covered financial year using the Black -Scholes pricing model

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out all incentive plans (value vested or earned) during the year ended November 30, 2011, for each NEO:

	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jack Bal, (former)CEO	Nil	N/A	Nil
Rana Vig (new) CEO	Nil	N/A	Nil
Lorne Torhjem, (former) CFO	Nil	N/A	Nil

The Company does not have a pension plan or deferred compensation plan for its directors, officers or employees.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company does not have any contracts, agreements, plans or arrangements that provide 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 an NEO's responsibilities.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth all amounts of compensation provided to the directors of the Company (other than directors who are NEOs) during the financial year ended November 30, 2011.

Name	Fees earned (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Nil	Nil	Nil	Nil	N/A	Nil	Nil

Outstanding share-based awards and option-based awards

The following table sets out all share-based awards and option-based awards outstanding as at November 30, 2011, for each director, excluding a director who is already set out in disclosure for an NEO for the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) ⁽¹⁾	Option exercise price (\$) ⁽²⁾	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 (\$)
Nil	Nil	Nil	-	N/A	N/A	N/A

Notes:

(1) *These stock options are fully vested*

(2) *Amount is based on the grant date fair value of the award for the covered financial year using the Black -Scholes pricing model*

The following table sets out all incentive plan (value vested or earned) during the year ended November 30, 2011, for each director, excluding a director who is already set out in disclosure for a NEO for the Company:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nil	Nil	N/A	Nil

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The equity compensation plan the Company currently has in place is its April 7, 2006 Share Option Plan, as amended. The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan is administered by the directors of the Company. The Plan provides that options be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Common Shares. All options expire on a date not later than 10 years after the date of grant of such option.

Material Terms of the Plan

The following is a summary of the material terms of the Plan:

- (a) the Company may grant stock options representing over 5% of the issued shares in any 12 month period with the approval of disinterested shareholders;
- (b) the Company may waive the requirement for options granted to optionees to expire 90 days following the termination of the relationship between the optionee and the Company;
- (c) the Company may waive the requirement for options granted to persons performing Investor Relations Activities (as defined in the Stock Option Policy) to expire 30 days following the termination of the relationship between the optionee performing Investor Relations Activities and the Company; and
- (d) the Company may grant options having a term of up to 10 years.

In addition, as a matter of administration of the Plan, the Plan may be amended by the Board without further shareholders' approval, in the following circumstances:

- i) it may make amendments which are of a typographical, grammatical or clerical nature only;
- ii) it may change the vesting provisions of an outstanding option;
- iii) it may change the termination provisions of an outstanding option granted, which does not entail an extension beyond the original expiry date of such option;
- iv) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- v) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX-V, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- vi) it may make such amendments that reduce the benefits of the Plan to a participant.

The exercise price of an option will be set by the Board at the time such option is allocated under the Plan and cannot be less than the discounted market price (as defined in the policies of the TSX-V). The exercise price of an option may be amended only if at least six months have elapsed since the later of the date of commencement of the term of the option, the date the Common Shares commenced trading on the TSX-V and the date of the last amendment of the exercise price. An option must be outstanding for at least one year before the Company may extend its term.

The Company shall obtain "Disinterested Shareholder Approval" prior to any of the following actions becoming effective:

- (a) if the Plan, together with all of the Company's other share compensation arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under options granted to insiders exceeding 10% of the outstanding Common Shares (in the event that this Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares);

- (ii) the number of optioned shares issued to insiders within a one-year period exceeding 10% of the outstanding Common Shares (in the event that this Plan is amended to reserve for issuance more than 10% of the outstanding Common Shares); or,
 - (iii) the issuance to any one individual, within a 12-month period, of a number of Common Shares exceeding 5% of Outstanding Shares; or
- (b) any reduction in the exercise price of an option previously granted to an insider; or
- (c) granting a service provider an option if that option would result in the total number of options, together with all other share compensation arrangements granted to such service provider in the previous 12 months, exceeding 5% of the outstanding Common Shares;
- (d) The aggregate number of options granted to service providers conducting investor relations activities in any 12-month period cannot exceed 2% of the outstanding Common Shares, calculated at the time of grant, without the prior consent of the TSX-V and the aggregate number of options granted to any one consultant in any 12-month period cannot exceed 2% of the outstanding Common Shares, calculated at the time of grant, without the prior consent of the TSX-V.

No option may be exercised after an optionee has left his employ/office or has been advised by the Company that his services are no longer required or his service contract has expired, except:

- in the case of the death of an optionee, any vested option held by him at the date of death will become exercisable by the optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option;
- if an Option granted to any optionee will expire within 90 days after the date the optionee ceases to be employed by or provide services to the Company, but only to the extent that such option has vested at the date the optionee ceased to be so employed by or to provide services to the Company; and
- in the case of an optionee being dismissed from employment or service for cause, such optionee's options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

"Disinterested Shareholder Approval" means the approval by a majority of the votes cast by all shareholders of the Company at a duly constituted shareholders' meeting excluding votes attached to listed shares beneficially owned by insiders of the Company to whom the options have been granted under the Plan and associates of those insiders.

An insider is a director, or senior officer of the Company, a director or senior officer of a company that is an insider or subsidiary of the Company, a person that beneficially owns or controls, directly or indirectly, voting Shares carrying more than 10% of the voting rights attached to all outstanding voting Shares of the Company. The following table sets out equity compensation plan information as at the end of the financial year ended November 30, 2011.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Share Plan)	2,018,750	\$0.20	2,514,036
Equity compensation plans not approved by securityholders	-	-	-
Total	2,018,750	\$0.20	2,514,036

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The following directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of the end most recently completed financial year or as at the date hereof, as follows:

Aggregate Indebtedness (\$)

Purpose	To the Company or its Subsidiaries	To Another Entity
Share Purchases	Nil	Nil
Other	Nil	Nil

Indebtedness of Directors and Executive Officers Under Securities Purchase Programs

Name and Principal Position for Securities Purchase Programs	Involvement of Company or Subsidiary	Largest Amount Outstanding During Year Ended November 30, 2011 (\$)	Amount Outstanding as at March 12, 2012 (\$)	Financially Assisted Securities Purchases During Year Ended November 30, 2011(#)	Security for Indebtedness	Amount Forgiven During Year Ended November 30, 2011 (\$)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Indebtedness of Directors and Executive Officers Under Other Programs

Name and Principal Position for Other Programs	Involvement of Company or Subsidiary	Largest Amount Outstanding During Year Ended November 30, 2011 (\$)	Amount Outstanding as at March 12, 2012 (\$)	Financially Assisted Securities Purchases During Year Ended November 30, 2011(#)	Security for Indebtedness	Amount Forgiven During Year Ended November 30, 2011 (\$)
N/A	N/A	N/A	N/A	N/A	N/A	N/A

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended November 30, 2011, or has any interest in any material transaction in the current year other than as set out below.

REMUNERATION PAID TO MANAGEMENT AND OTHERS

During the year ended November 30, 2011, the Company paid fees of \$19,500.00 to companies controlled by the former CFO and Director and the new CFO for management and consulting services.

During the year ended November 30, 2011, the Company paid management fees of \$42,250.00 to a company controlled by the current CEO and Director of the Company.

MANAGEMENT CONTRACTS

Please refer to above section entitled "Remuneration paid to Management and Others".

PARTICULARS OF MATTERS TO BE ACTED UPON

Continuation of Share Option Plan

The TSX-V requires that each company listed on the TSX-V proposing to issue stock options have a share option plan. The shareholders of the Company adopted a Share Option Plan in 2006 which is described in detail above under the heading "SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS".

Pursuant to section 2.9 of TSX-V policy 4.4, the continuation of the Plan requires annual shareholder approval at the annual meeting of the Company by ordinary resolution. The Company is of the view that the Plan is necessary for the Company to attract and maintain the services of executives, employees and other service providers in competition with other companies in the industry.

In accordance with the policies of the TSX-V, continuation of the Plan must be approved by the shareholders annually by a majority of the votes cast at the Meeting.

Shareholders will be asked to vote on the following ordinary resolution, with or without variation:

“RESOLVED THAT the continuation of the Company’s 10% rolling share option plan dated for reference April 7, 2006, as amended October 12, 2006, April 7, 2009, April 12, 2010 and March 10, 2011, be and is hereby ratified and approved until the next annual general meeting of the Company.”

The Board recommends that shareholders vote in favour of continuation of the Plan.

At the Meeting, shareholders will be asked to vote on the following special resolutions, with or without variation:

Stock Consolidation

“RESOLVED THAT:

1. the authorized share structure of the Company be altered by consolidating the common shares without par value, of which 45,321,868 Common shares are issued, on the basis of one (1) post-consolidated common share for up to five (5) pre-consolidated common shares or, on any different basis that the Directors deem to be in the best interest of the Company and the Articles of the Company be altered to reflect any such consolidation;
2. any fractional shares resulting from the consolidation of the Common shares shall be converted such that each fractional Common share remaining after conversion that is less than one-half of a Common share be cancelled and each fractional Common share that is at least one-half of a Common share be changed to one whole Common share pursuant to the provisions of Section 83 of the *Business Corporations Act* (British Columbia);
3. the board of directors of the Company is hereby authorized, at any time in its absolute discretion, to determine whether or not to proceed, how to proceed and on what basis with the above consolidation without further approval, ratification or confirmation by the shareholders”.

Name Change Resolution

BE IT RESOLVED THAT:

“The Company change its name to any such name the directors in their unfettered discretion may determine necessary and deem to be in the best interests of the Company, at any later date without further approval from the shareholders and the Notice of Articles of the Company be altered to reflect any such name change”.

The Board recommends that shareholders vote in favour of the two above special resolutions. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the resolution.

The proposed consolidation will not alter or change in any way any shareholder’s proportion of votes to total votes, however, the total votes capable of being cast by shareholder at a general meeting in the future will be reduced if the resolution is approved.

ADDITIONAL INFORMATION

The audited financial statements of the Company for the year ended November 30, 2011, report of the auditor and related management discussion and analysis will be placed before the Meeting and are filed on SEDAR at www.sedar.com. Additional information relating to the Company is filed on SEDAR at www.sedar.com.

A copy of the Company’s annual and/or interim financial statements and related management discussion and analyses may be obtained from SEDAR at www.sedar.com.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

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

DATED at Vancouver, British Columbia, March 12th, 2012

BY ORDER OF THE BOARD OF DIRECTORS

"Rana Vig"

Rana Vig
President and Chief Executive Officer