



**Annual General and Special Meeting  
of Shareholders  
to be held June 21, 2013**

**NOTICE OF MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR**

May 15, 2013



8338-120<sup>th</sup> Street, Surrey, BC V3W 3N4  
Tel: 604-592-6881 Fax : 604-592-6882

TSXV:MGS  
OTC: MGSGF

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**NOTICE OF ANNUAL GENERAL and SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON FRIDAY, JUNE 21, 2013 (the "Notice")**

**TO:** The Shareholders of Musgrove Minerals Corp.

**TAKE NOTICE** that the annual general and special meeting (the "Meeting") of the shareholders of Musgrove Minerals Corp. ("Musgrove" or the "Company") will be held at 8338-120<sup>th</sup> Street, Surrey, BC. on Friday, June 21, 2013, 2:00 p.m. (Pacific-Daylight Savings time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended November 30, 2012 and the report of the auditor on those statements;
2. To fix the number of directors for the ensuing year at five (5);
3. To elect directors for the ensuing year;
4. To appoint the auditor for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. To ratify and approve the Company's stock option plan (the "Stock Option Plan");
6. To authorize and approve a stock consolidation on a up to five (5) old for one (1) new basis;
7. To transact such other business as may properly come before the Meeting or any adjournments thereof.

This information circular (the "Circular" or "Information Circular") provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Also accompanying this Notice and the Circular is a transmittal for use in the event of a consolidation, a Request for Financial Statements and form of proxy for use at the Meeting. Any adjourned meeting resulting from an adjournment of the Meeting will be held at a time and place to be specified at the Meeting. Only shareholders of record at the close of business on May 15, 2013 will be entitled to receive notice of and vote at the Meeting.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. If you are unable to attend the Meeting in person, please read the Information Circular and enclosed proxy (the "Proxy") and then complete, sign, date and return the Proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy to the Company's registrar and transfer agent, Valiant Trust, 600-750 Cambie Street, Vancouver, B.C. V6B 0A2 at least 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment. Failure to do so may result in your shares not being voted at the Meeting. As set out in the notes to the Proxy, the Proxy is solicited by management, but you may amend it, if you so desire, by striking out the names listed on it and inserting in the space provided the name of the person you wish to have represent you at the Meeting. Unregistered shareholders who received the Proxy through an intermediary must deliver the proxy in accordance with the instructions given by the intermediary.

DATED at Surrey, British Columbia, this 15<sup>th</sup> day of May, 2013.

**MUSGROVE MINERALS CORP.**

"Rana Vig"

President and Chief Executive Officer



## INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of May 15th, 2013.

This Information Circular is being mailed by the management of the Company to everyone who was a shareholder of record of the Company on May 15, 2013, which is the date that has been fixed by the directors of the Company as the record date to determine the shareholders who are entitled to receive notice of the Meeting.

This Information Circular is furnished in connection with the solicitation of proxies by and on behalf of management for use at the annual general meeting of the shareholders of the Company that is to be held on June 21, 2013 at 2:00 p.m. (Pacific-Daylight Savings time) at 8338-120<sup>th</sup> Street, Surrey, B.C.

The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. The majority of the cost of solicitation will be borne by the Company. No person has been authorized to give any information or to make any representation in connection with the Meeting and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

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

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

Under Musgrove's Articles, at least one person (representing in person or by proxy) one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the Meeting must be present in person or represented by proxy, before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, the Meeting will be rescheduled.

### **PART 1 – VOTING**

#### ***HOW A VOTE IS PASSED***

All matters that will come to a vote at the Meeting, as described in the attached Notice of Meeting, are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favor, then the resolution is approved (an “ordinary resolution”) unless the motion requires a special resolution in which case 2/3 of the votes cast will be required (a “special resolution”).

#### ***WHO CAN VOTE?***

If you are a registered shareholder of Musgrove Minerals Corp. as at May 15, 2013, you are entitled to notice of and to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the Meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating the officer's authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxy holder to vote in accordance with your instructions (see “*VOTING BY PROXY*” below). If your shares are registered in the name of a “nominee” (usually a bank, trust

company, securities dealer or other financial institution) you should refer to the section entitled “BENEFICIAL SHAREHOLDERS”, below.

It is important that your shares be represented at the Meeting regardless of the number of shares you hold. If you will not be attending the Meeting in person, the Company invites you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

### ***VOTING BY PROXY***

If you do not come to the Meeting, you can still make your votes count by voting over the internet or via the telephone (*see proxy for instructions*) or by appointing someone who will be there to act as your proxy holder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

### ***WHAT IS A PROXY?***

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. A form of proxy is enclosed with this Information Circular. You should use it to appoint a proxy holder, although you can also use any other legal form of proxy.

**In order to be valid, you must return the completed form of proxy to Musgrove’s transfer agent, Valiant Trust, not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment thereof.**

### ***APPOINTING A PROXYHOLDER***

**You can choose any individual to be your proxy holder.** It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person’s name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxy holder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy will be deemed to be appointed to act as your proxy holder. Such persons are directors and/or officers of Musgrove Minerals Corp. (the “**Management Proxy holders**”).

### ***INSTRUCTING YOUR PROXY***

You may indicate on your form of proxy how you wish your proxy holder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxy holder must vote your shares according to your instructions.

**If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxy holder can vote your shares as he or she thinks fit.**

At the time of printing this Information Circular, the management of Musgrove Minerals Corp. is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

**If you have appointed the Management Proxy holders as your proxy holder, they will, unless you give contrary instructions, vote your shares at the Meeting as follows:**

- **FOR the election of the proposed nominees as directors;**
- **FOR the appointment of Dale Matheson Carr-Hilton Labonte, LLP, Chartered Accountants, as the auditor of Musgrove Minerals Corp.;**
- **FOR the resolution to authorize the directors to fix the remuneration to be paid to the auditor;**
- **FOR the adoption of the Stock Option Plan;**
- **FOR the special resolution approving stock consolidation on a up to five (5) old for one (1) new**

basis;

### ***REVOKING YOUR PROXY IF YOU CHANGE YOUR MIND***

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by:

- (a) attending the Meeting and voting in person;
- (b) signing a proxy bearing a later date;
- (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to Musgrove Minerals Corp. at 8338-120<sup>th</sup> Street, Surrey, B.C., V3W 3N4; or
- (d) any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Pacific-Daylight Savings time) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the Meeting in person.

**Only registered shareholders may revoke a proxy. If your shares are not registered in your own name and you wish to change your vote, you must, at least 7 days before the Meeting, arrange for your nominee to revoke your proxy on your behalf (see below under “Non-Registered Shareholders”).**

### ***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 completing, dating and signing the enclosed form of Proxy and returning it to the Company's transfer agent not less than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) of the Meeting.

### ***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).

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 voting instruction form ("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.

## **PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

### ***OUTSTANDING MUSGROVE CAPITAL SHARES***

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares. Each shareholder is entitled to one vote per share registered in his or her name. According to the records of the Company's Transfer Agent as of May 15, 2013 there were 15,564,355 common shares issued and outstanding.

### ***PRINCIPAL HOLDERS OF SHARES***

Only those common shareholders of record on May 15, 2013 will be entitled to vote at the Meeting or any adjournment thereof. To the knowledge of the directors and executive officers of the Company, there is no shareholder that beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company which have the right to vote in all circumstances.

## **PART 3 - THE BUSINESS OF THE MEETING**

### ***PARTICULARS OF MATTERS TO BE ACTED UPON***

To the knowledge of the Company's directors, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting relating to:

- i) receiving and considering the financial statement of the Company for the fiscal year ended November 30, 2012;
- ii) appointment of the auditors;
- ii) fixing the directors at Five (5) and electing the directors;
- iv) the approval of the Stock Option Plan;
- v) the authorization and approval of a share consolidation of the Company's issued and outstanding shares on a up to 5 old for 1 new basis; and
- vi) any other business that properly arises during the Meeting.

Management has determined that, in its opinion, a consolidation of its share capital may be required in order to provide for further equity financing to meet its current working capital requirements and to attract new equity investment in the Company.

The Company's board of directors (the "Board" or "Board of Directors") proposes that shareholders approve a consolidation of its share capital on the basis of one post-consolidated common share for up to five (5) pre-consolidated common shares currently held. As at the date of this Information Circular, there were 15,564,355 common shares issued and outstanding in the capital of the Company. The Company will have approximately 3,112,871 common shares outstanding subsequent to the consolidation on the basis of one post consolidated common share for each five (5) pre-consolidated common shares;

The exact number of post-consolidated shares will most likely vary from these approximations to a small extent depending upon the treatment of the fractions that will most likely occur when each shareholder's holdings are consolidated on any of the basis set out above. In addition to the requisite shareholder approval being sought at the Meeting, any such consolidation also requires the approval of all applicable regulatory authorities, including the TSX Venture Exchange ("TSXV").

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.

All outstanding options, warrants and other convertible securities of the Company outstanding as at the date of the completion of the consolidation transaction will be adjusted in accordance with the consolidation ratio.

Accordingly, shareholders will be asked to approve the following resolution in order to approve the consolidation of the Common shares of the Company:

**“RESOLVED AS A SPECIAL RESOLUTION that:**

- (1) the authorized share structure of the Company be altered by consolidating the common shares without par value, of which 15,564,355 Common shares are issued, on the basis of a one (1) post-consolidated common share for each five (5) pre-consolidated common shares and the Articles of the Company be altered to reflect any such consolidation if necessary;
- (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 with the above consolidation and to determine the ratio of pre-consolidated shares to post-consolidated shares, without further approval, ratification or confirmation by the shareholders;
- (4) any one director or officer of the Company is authorized to execute and file such documents and take such further action, including any filings with the Registrar of Companies and any securities authorities, that may be required to carry out the full intent of these resolutions.”

The said amendments and resolutions shall have effect immediately on the date and time the amendment is deposited for filing in the Company's records office or with the Corporate Registry and/or the TSXV, as the case may be.

The Company's management recommends that shareholders vote in favor of the resolution to ratify and approve a stock consolidation as set out above. **Unless you give instructions otherwise, the Management Proxy holders intend to vote FOR the approval and ratification of the Stock Consolidation.**

***FINANCIAL STATEMENTS***

The audited financial statements of the Company for the year ended November 30th, 2012 will be placed before you at the Meeting. A copy of these financial statements, together with the auditor's report thereon, and Management's Discussion and Analysis, were mailed to those shareholders who returned the 'request for annual and interim financial statement return card', mailed to shareholders in connection with the Company's annual general meeting and indicated to the Company that they wished to receive these documents. Shareholders can request a copy of our future financial statements and MD&A by completing our supplemental request card which accompanies the Notice of Meeting and this Information Circular. These financial statements and MD&A are also available for review on SEDAR.

## ***ELECTION OF DIRECTORS***

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time. Under Musgrove's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors cannot be fewer than three (3). Currently there are five (5) directors.

Management proposes to nominate the persons named under the heading "Nominees for Election" below for election as directors of the Company. This requires the approval of the shareholders of the Company by an ordinary resolution, which approval will be sought at the Meeting.

## ***NOMINEES FOR ELECTION***

The following information relating to the nominees for directors is based partly on the Company's records and partly on information received by the Company from the nominees, it states the name of each person proposed to be nominated by management for election or re-election as a director and their respective principal occupations during the term that each were directors of the Company and their respective number of common shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

While management does not contemplate that the nominees will be unable to serve as directors, if prior to the Meeting a vacancy occurs in this slate of nominees for any reason, the management representative(s) designated in the Proxy solicited in respect of the Meeting shall have the discretionary authority to vote for the election of any other person as director. Proxies received by the directors on which no designation is made will be voted for the nominees for election as directors or any substitute nominee thereof as may be determined by management, if necessary.

The following table sets out the names of the nominees for election as directors, the country and province in which each is ordinarily resident, all offices of the Company now held by each of them, each nominee's principal occupation, business or employment, the period for which each nominee has served as a director of the Company, and the number of common shares of the Company beneficially owned by each or indirectly, or over which each nominee exercises control or direction as of November 30, 2012.

<b>Name, Position with Company, Province &amp; Country of Residence</b>	<b>Present Principal Occupation (for the past five years)</b>	<b>Director Since</b>	<b>Shares Beneficially Owned or Controlled(1)</b>
Greg Hawkins, Director, British Columbia, Canada	- Exploration Geologist and Mineral Economist - Managing Director, CME & Company (1994 – present) - Director, New Pacific Metals Corp. (2010-present) - Chairman of Board of Directors and Interim CEO, Of Yellowhead Mining Inc. (2012-present) -Director, Cielo Gold Corp. (present)	March, 12, 2012	Nil



Rana vig (2) CEO & President British Columbia, Canada	-CEO of AAN Ventures Inc . (2012 – 2013). -Executive VP, Corporate Operations, RTN Stealth Software Inc. –2010. - Vice Chairman and Director of Continental Precious Minerals, Inc. (March 2013 – present) -Director of MaxTech Ventures Inc., (2012- present) -Director of Chimata Gold Corp., (2012 to present), - Director of QMI Seismic Inc. (2009-2010) - Director of Arris Holdings Inc. (2011-2013) -Director of Cielo Gold Corp. (2011-2013) -Director of Orofino Minerals Inc. (2011-2013).	July, 12, 2011	799,800
Martin Bernholtz, CA (2) Director, Ontario, Canada	VP of Finance with Kerbel Group Inc., an integrated real estate development company (1987 – present)	April 16, 2012	628,500
NORMAN BREWSTER(2) Director British Columbia, Canada	-Director of Musgrove Minerals Corp. (2011 – Present) -Chairman of the board of directors of Black Widow Resources Inc. (May 2011 – Present) -President, Director and Chief Executive Officer of Cadillac Ventures Inc. (2007 – Present) -Director of International Millenium Mining Corp. (2005 – Present) -Director of Iberian Minerals Corp. (1998 – 2013) -Director of Augen Capital Corp. (2010 – 2013) -Director of Galantas Gold Corporation (2002 –2012) -Director of Celesete Copper Corp. (2011 – 2012) -Director of Greenock Resources Inc. (2007 – 2008)	October 13, 2011	205,500
SANDY JANDA BBA, Bus.Adm.Degree Director British Columbia, Canada	Ms. Janda received her Business Administration Degree from Simon Fraser University in 2008 and brings six years of experience in day-to-day operations and financial management of both real estate development companies and publicly traded companies to the Company.  She has held the following positions over the past five years:  - Manager of commercial management and land development corporation (2007 to present) -CFO Acana Capital Corp. (to present) -CEO Arris Holdings Inc. (to present) -CEO AAN Ventures Inc. (to present) -CEO Innovative Properties Inc. (present)	May 6, 2013	Nil

<sup>(1)</sup> Information as to ownership of shares has been taken from the list of registered shareholders maintained by the Company's transfer agent or has been provided by the individual.

<sup>(2)</sup> Member of the Audit Committee

The Company's management recommends that shareholders vote in favor of the nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the five (5) nominees as directors of the Company for the ensuing year.**

#### ***CORPORATE CEASE TRADE ORDERS OR BANKRUPTCY***

Save and except as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, within ten years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period or more than 30 consecutive days; or
- (c) 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.

### ***PENALTIES OR SANCTIONS***

Save and except as set forth below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

### ***PERSONAL BANKRUPTCY***

As of the date of this Information Circular, no proposed nominee for election as a director of the Company has, within the ten years before the date of this 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, receiver manager or trustee appointed to hold the assets of the proposed director.

### ***CONFLICTS OF INTEREST***

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

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

### ***APPOINTMENT OF THE AUDITOR***

The Company's management recommends that shareholders vote in favor of the re-appointment of Dale Matheson Carr-Hilton Labonte, LLP, Chartered Accountants as the Company's auditor for the ensuing year and in favor of granting the Board of Directors the authority to determine the remuneration to be paid to the auditor.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Dale, Matheson, Carr-Hilton Labonte, LLP, Chartered Accountants as the auditor of the**

**Company until the close of the next annual meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

### ***APPROVAL OF STOCK OPTION PLAN***

Management is seeking shareholder approval for the adoption the Stock Option Plan and the approval of the number of shares reserved for issuance under the Stock Option Plan in accordance with and subject to the rules and policies of the TSXV. The Board of Directors of the Company has established an incentive stock option plan (the “Stock Option Plan”) reserving a rolling 10% of the issued and outstanding shares of the Company from time to time. The purpose of the Stock Option Plan is to provide incentive to employees, directors, officers, management companies and consultants who provide services to the Company and reduce the cash compensation the Company would otherwise have to pay.

### ***TERMS OF THE STOCK OPTION PLAN***

A full copy of the Stock Option Plan is available upon request for review by shareholders. Shareholders may also obtain copies of the Stock Option Plan from the Company prior to the meeting on written request. The following is a summary of the material terms of the Stock Option Plan:

**Number of Shares Reserved.** The number of common shares which may be issued pursuant to options granted under the Stock Option Plan (including all options granted by the Company prior to the adoption of the Stock Option Plan) shall equal 10% of the issued and outstanding shares of the Company from time to time at the date of grant.

**Maximum Term of Options.** The term of any options granted under the Stock Option Plan is fixed by the Board of Directors and may not exceed ten years from the date of grant. The options are non-assignable and non-transferable.

**Exercise Price.** The exercise price of options granted under the Stock Option Plan is determined by the Board of Directors, provided that it is not less than the price permitted by the TSXV, or, if the shares are no longer listed on the TSXV, then such other exchange or quotation system on which the shares are listed or quoted for trading.

**Amendment.** The terms of an option may not be amended once issued under TSXV requirements. If an option is cancelled prior to the expiry date, the Company shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.

**Vesting.** Vesting, if any, and other terms and conditions relating to such options shall be determined by the Board of Directors of the Company or senior officer or employee to which such authority is delegated by the Board from time to time and in accordance with TSXV requirements.

**Termination.** Any options granted pursuant to the Stock Option Plan will terminate on (i) the earliest of the expiration date (ii) the end of the period of time permitted for exercise of the Option (not to be in excess of six months), to be determined by the Board at the time of the grant after the Optionee ceased to be eligible for options for any reasons other than death, disability or cause (iii) the 30th day after the Optionee who is engaged in Investor Relations for the Company ceases to be so employed (iv) the date on which the Optionee ceased to be eligible for options by reason or termination of the Optionee as an employee, consultant or independent contractor of the Company (v) the first anniversary of the date on with the Optionee ceased to be eligible for options on account of disability (vi) the first anniversary of the date of death of the Optionee.

**Administration.** The Stock Option Plan is administered by the Board of Directors of the Company or senior officer or employee to which such authority is delegated by the Board from time to time.

**Board Discretion.** The Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting schedules, and other terms and conditions relating to such options shall be determined by the Board of Directors of the Company or senior officer or employee to which such authority is delegated by the Board from time to time and in accordance with TSXV requirements.

Shareholders (being a simple majority of the votes cast by the shareholders who are not insiders of the Company or

associates of those insiders) will be asked to approve the following resolution:

**“BE IT RESOLVED:**

1. that the Stock Option Plan be and the same is hereby adopted and approved and that the directors of the Company be and are hereby authorized to make such amendments or revisions to the Stock Option Plan from time to time, without further shareholder approval, as may be required by the TSXV Exchange or any other stock exchange upon which the Company's shares may be listed for trading in order to cause the Stock Option Plan to fully comply with the requirements of the of such exchange and to fully carry out this resolution;
2. all options to acquire common shares of the Company previously issued by the Company to directors, officers, employees and consultants of the Company or any subsidiary of the Company and currently outstanding shall be deemed to have been granted and issued under the Stock Option Plan and otherwise be governed by the terms and conditions of the Stock Option Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such options; and
3. the reservation under the Stock Option Plan of a maximum up to the amount of 10% of the issued shares of the Company on a rolling basis, at the time of granting of the stock option pursuant to the Stock Option Plan be and the same is hereby approved.”

The Company's management recommends that shareholders vote in favor of the resolution to ratify and approve the Stock Option Plan. **Unless you give instructions otherwise, the Management Proxy holders intend to vote FOR the approval and ratification of the Stock Option Plan.**

#### **PART 4 – EXECUTIVE COMPENSATION**

As defined under applicable securities legislation, the Company had two "Named Executive Officers" during the financial year ended November 30, 2012 as set out below:

Rana Vig - President and Chief Executive Officer  
Larry Tsang – Chief Financial Officer

#### ***COMPENSATION DISCUSSION AND ANALYSIS***

The Company has not, as of yet, generated any income or cash flows and operates with limited financial resources, The Board of Directors, through informal discussion without any formal objectives, criteria or analysis, is responsible for determining the final compensation to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company and may include a "pay-for-performance" element which supports the Company's commitment to delivering strong performance for the Shareholders.

The Board annually reviews the corporate goals and objectives relevant to executive compensation; evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns, the value of similar incentive awards to executive officers at comparable companies and the awards given to executive officers in past years.

The Company has no arrangements, standard or otherwise, under which Directors are compensated for their services in their capacity as Directors, or for committee participation or involvement in special assignments during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

Stock options are an important part of the Company's incentive strategy for its directors and officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and is intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance as measured through the price of the Company's shares and enables executives to acquire

and maintain an ownership position in the Company.

Stock options grants may be made periodically to ensure that the number of options granted to any particular officer or director is commensurate with the officer's level of ongoing responsibility within the Company. The Board will evaluate the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants.

## SUMMARY COMPENSATION TABLE

The following sets out certain information respecting the compensation paid as to November 30, 2012 to the CEO and CFO, for the past three fiscal years, other than those individuals that did not hold an office at this fiscal year end. These individuals are referred to collectively as the "Named Executive Officers" or "NEOs". Amounts reported in the table below are in Canadian dollars.

Name and Principal Position	Fiscal Year	Salary/Fee (\$)	Share based Awards (\$)	Option based Awards (\$) <sup>(3)</sup>	Non-equity incentive plan compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
RANA VIG <sup>(1)</sup> President & Chief Executive Officer	2012	76,500	Nil	Nil	Nil	Nil	Nil	Nil	76,500
	2011	53,750	Nil	62,500	Nil	Nil	Nil	Nil	116,250
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Larry Tsang Chief Financial Officer <sup>(2)</sup>	2012	11,495	Nil	Nil	Nil	Nil	Nil	Nil	11,495
	2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jamie Lewin (former) Chief Financial Officer	2012	10,674	Nil	Nil	Nil	Nil	Nil	Nil	10,674
	2011		N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2010		N/A	N/A	N/A	N/A	N/A	N/A	N/A

<sup>(1)</sup> Rana Vig became the Company's CEO and director on October 20, 2011. As such, there was no executive compensation to report on in fiscal 2010.

During fiscal 2011, Mr Vig charged the Company \$46,250 in consulting fees before he became the Company's CEO and \$7,500 in management fees (totaling \$53,750 in fiscal 2011) after he became the Company CEO. Mr Vig was granted 250,000 options (with a fair market value of \$62,500 at the time of vesting – date of grant).

In fiscal 2012, Mr. Vig charged the Company \$67,500 management fees and \$9,000 director fees totaling \$76,500.

<sup>(2)</sup> Mr. Larry Tsang became the Company's CFO commencing September 2012. Jamie Lewin held the position of CFO for the fiscal year until September 2012.

<sup>(3)</sup> The value of the option vested during the year on each vesting date is calculated using the Black-Scholes option pricing model using the following assumptions: for 2011: risk-free interest rate of 2.32%; expected volatility of 179%; expected life of: 5 years and dividend yield of 0%. All options vested on the day of grant.

### INCENTIVE PLAN AWARDS

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

	Option-based Awards	Share-based	Awards
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and Principal Position	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 payout value of share-based awards that have not vested	Market or payout value of vested share based awards not paid out or distributed
<b>Rana Vig (CEO)</b>	50,000	\$1.00	Feb.15, 2016	Nil	Nil	Nil	Nil
<b>Larry Tsang (CFO)</b>	Nil	N/A	N/A	Nil	Nil	Nil	Nil
<b>Jamie Lewin (CFO)</b>	Nil	N/A	N/A	Nil	Nil	Nil	Nil

<sup>(1)</sup>The Value of unexercised “in-the-money options” at the financial year-end is based on the difference between the option exercise price and the market value of the underlying stock on the TSXV on November 30, 2012.

*Value Vested or Earned during the year*

Name	Option-based awards – value vested or earned	Share-based awards – value vested during the year <sup>(1)</sup> \$	Non-equity incentive plan compensation – value earned during the year
<b><i>Rana Vig</i></b>	Nil	Nil	Nil
<b><i>Larry Tsang</i></b>	Nil	Nil	Nil
<b><i>Jamie Lewin</i></b>	Nil	Nil	Nil

<sup>(1)</sup>All options were granted to the NEO in prior years and were fully vested prior to the beginning of fiscal 2012 and, as such, no value vested or was earned by the NEO during the financial year ended November 30, 2012. Value vested is aggregate dollar value that would have been realized if incentive stock options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise on the vesting date.

**PENSION PLAN BENEFITS**

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

**TERMINATION AND CHANGE OF CONTROL BENEFITS**

The Company has not entered into any compensatory plans, contracts or arrangements with any of its Named Executive Officers whereby those officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the Named Executive Officer with the Company or from a change in control of the Company or a change in the Named Executive Officer’s responsibilities following a change in control.

**REMUNERATION OF MANAGEMENT AND OTHERS**

During the year ended November 30, 2012 the Company paid directors fees of \$18,250 to the Company’s three directors, other than the director who is also an NEO, and management fees plus director’s fees totaling of

\$76,500 to the Company's CEO- See "Summary Compensation Table" above and "Director Compensation Table" set out below.

### COMPENSATION OF DIRECTORS

The directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may receive cash bonuses or fees from time to time which the Company awards to directors for serving in their capacity as a member of the board. Executive officers who also act as directors of the Company do not receive any additional compensation for services rendered in their capacity as directors.

Directors are entitled to participate in the Company's stock option plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of each individual director's current and expected future performance, level of responsibilities and the importance of their position and contribution to the Company.

The following table sets forth information regarding the compensation paid to the Company's directors, other than directors who are also Named Executive Officers listed in the "Summary Compensation Table" above, during the fiscal year ended November 30, 2012.

Name	Fees earned (\$)	Share-based award (\$)	Option-based Awards (\$)	Non-Equity Incentive			All other compensation (\$)	Total (\$)
				Annual Incentive plans (\$)	Long term incentive plans (\$)	Pension value (\$)		
T. Greg Hawkins	4,000	Nil	Nil	Nil	Nil	Nil	Nil	4,000
Martin Bernholtz	5,250	Nil	Nil	Nil	Nil	Nil	Nil	5,250
Norman Brewster	9,000	Nil	Nil	Nil	Nil	Nil	Nil	9,000

### INCENTIVE PLAN AWARDS

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

Name	Option-based Awards				Share-based Number of shares or units of shares that have not vested	Awards	
	Number of securities underlying unexercised options	Option exercise price \$	Option expiration date	Value of unexercised in-the-money option		Market payout value of share-based awards that have not vested	Market or payout value of vested share based awards not paid out or distributed
<b>T. Greg Hawkins</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Martin Bernholtz</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Norman Brewster</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Value Vested or Earned during the year*

No directors were granted incentive stock options during the fiscal year ending November 30, 2012.

## **PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following information is as of November 30, 2012, the Company's most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options,</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
	(a)	(b)	(c)
Equity compensation plans approved by security holders (the "Option Plan")	401,250	\$1.39	1,155,185
Equity Compensation plans not approved by security holders	N/A	N/A	N/A
Total:	401,250	\$1.39	1,155,185

No options were granted in fiscal 2012.

## **PART 6 – AUDIT COMMITTEE**

### **AUDIT COMMITTEE CHARTER**

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators ("NI 52-110") requires the Company to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its external auditor as set forth below.

The Company's audit committee is governed by an audit committee charter which is attached as Schedule "A".

### **COMPOSITION OF THE AUDIT COMMITTEE**

The Company's audit committee is currently comprised of three directors, Rana Vig, Martin Bernholtz and Norman Brewster. Martin Bernholtz and Norman Brewster are considered "independent" as that term is defined in applicable securities legislation. As Chief Executive Officer, Rana Vig is not independent.

All three audit committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements and are therefore considered "financially literate".

All of the audit Committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial



reporting, garnered from working in their individual fields of endeavour.

Since the commencement of the Company's most recently completed financial year ended November 30, 2012, the board of directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### **RELIANCE ON CERTAIN EXEMPTIONS**

The Company is not relying on:

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of NI 52/110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

### **PRE-APPROVAL POLICIES AND PROCEDURES**

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached as Exhibit "A" to this Information Circular.

### **EXTERNAL AUDIT SERVICE FEES (BY CATEGORY)**

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

The fees paid by the Company to its external auditor for services rendered to the Company in each of the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit / Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
November 30, 2012	\$16,830	\$1,700	\$Nil
November 30, 2011	\$15,300	\$2,000	\$Nil

The Company is relying on the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (as described in 'Composition of the Audit Committee' above) and Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Company's Annual Information Form, if any).

## **PART 7 – CORPORATE GOVERNANCE**

Corporate governance relates to the activities of the board of directors of the Company (the "Board"), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day

management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices.

### **BOARD OF DIRECTORS**

The Board is currently composed of five directors. All of the proposed nominees for election as directors at the 2013 annual general meeting are currently directors of the Company. NP 58-201 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the company. “Material relationship” is defined as 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.

Of the current directors, Rana Vig, President and CEO is an “inside” or management director and accordingly is considered “non-independent”. T. Greg Hawkins, Martin Bernholtz, Sandy Janda and Norman Brewster, as outside directors, are considered independent. Rana Vig acts as Chief Executive Officer.

Following the Meeting, the Board will have 4 independent directors.

### **MANDATE OF THE BOARD**

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources. The Board also takes responsibility for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of the Company’s development, the Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate and securities legislation and regulatory policies. However, as the Company grows, the Board will move to develop a formal written mandate.

In keeping with its overall responsibility for the stewardship of the Company, the Board is also responsible for the integrity of the Company’s internal control and management information systems and for the Company’s policies respecting corporate disclosure and communications.

The Board delegates to management, through the Chief Executive Officer and the Chief Financial Officer, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Currently, the positions of President and Chief Executive Officer are combined. However, given the size of the Company’s current operations, the Board believes that the Company is well serviced and the independence of the

Board from management is not compromised by the combined role. In addition, the Board has found that the fiduciary duties placed on management by the Company's governing corporate legislation and common law and the restrictions on an individual director's participation in decisions of the Board in which the director has an interest under applicable corporate and securities legislation provide the "independent" directors with significant input and leadership in exercising their responsibilities for independent oversight of management. In addition, each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances and the "independent" directors have the ability to meet independently of management whenever deemed necessary.

### ***DIRECTORSHIPS***

As of the date of this Information Circular, the directors and/or officers listed in the table that follows are currently directors and/or officers of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction.

<b>Name of Director</b>	<b>Other Reporting Issuer</b>
Rana Vig Vancouver, B.C. Canada	-Vice Chairman and Director of Continental Precious Minerals, Inc. -Director of MaxTech Ventures Inc. -Director of Chimata Gold Corp.
T. Greg Hawkins Vancouver, B.C. Canada	- Director, New Pacific Metals Corp. - Interim CEO, Yellowhead Mining Inc. - Director Cielo Gold Corp.
Martin Bernholtz, Toronto, Ontario Canada	- VP of Finance with Kerbel Group Inc. - Covalon Technologies Ltd. (NEX) - Titan Medical Devices Ltd. (NEX) - Select Core Inc.(TSXV) - RYM Capital Corp. (TSXV)
Norman Brewster Vancouver, BC Canada	-Chairman of the board of directors of Black Widow Resources Inc. -President, Director and CEO of Cadillac Ventures Inc. -Director of International Millenium Mining Corp. -Director of Iberian Minerals Corp. -Director of Augen Capital Corp. -Director of Galantas Gold Corporation -Director of Celesete Copper Corp. -Director of Greenock Resources Inc.
Sandy Janda Vancouver, BC Canada	-Director and CEO of Arris Holdings Ltd. -Director and CEO of AAN Ventures Inc. -CFO of Acana Capital Corp. -Director and CEO of Innovative Properties Inc.

### ***ORIENTATION AND CONTINUING EDUCATION***

Orientation and education of new members of the Board is conducted informally by management and the Board. The orientation provides background information on the Company's history, performance and strategic plans.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However there is no formal orientation for new members of the Board and this is considered to be appropriate, given the Company's size and current operations.

### ***ETHICAL BUSINESS CONDUCT***

The Board of Directors expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

However, to date, the Board has not adopted a formal written Code of Business Conduct and Ethics. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate and securities legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders.

In addition, the limited size of the Company's operations and the small number of officers and employees allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### ***NOMINATION AND ASSESSMENT***

The Board of Directors will consider the size of the Board of Directors each year when it considers the number of directors to recommend for director nominees. The criteria for selecting new directors shall reflect the requirements of the listing standards of the Exchange (or such other exchange or self-regulatory organization on which the Company's shares are listed for trading) with respect to independence and the following factors:

- (a) the appropriate size of the Company's Board;
- (b) the needs of the Company with respect to the particular talents and experience of its directors;
- (c) personal and professional integrity of the candidate;
- (d) level of education and/or business experience;
- (e) broad-based business acumen;
- (f) the level of understanding of the Company's business and the industry in which it operates and other industries relevant to the Company's business;
- (g) the ability and willingness to commit adequate time to Board and committee matters;
- (h) the fit of the individual's skills and personality with those of other directors and potential directors in building a Board that is effective, collegial and responsive to the needs of the Company;
- (i) the ability to think strategically and a willingness to share ideas; and diversity of experiences, expertise and background.

### ***COMPENSATION***

The Board of Directors is responsible for determining all forms of compensation to be granted to the Chief Executive Officer of the Company and the other officers, directors and/or employees of the Company (see "Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts").

### ***COMMITTEES OF THE BOARD OF DIRECTORS***

The Board has only one committee, being the Audit Committee.

## **PART 8 – OTHER INFORMATION**

### ***INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS***

Since the beginning of the most recently completed financial year ended November 30, 2012 and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company during the most recently completed financial year ended November 30, 2012 for other than "routine indebtedness", as that term is defined by applicable securities law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

Other than as disclosed herein, no proposed nominee for election as a director, and no director or officer of the Company who has served in such capacity since the beginning of the last financial year of the Company, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with the Company or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company or is likely to do so.

### ***INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON***

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of the directors, the approval of the Stock Option Plan and the authorization for the granting of stock options thereunder.

### ***MANAGEMENT CONTRACTS***

The management functions of the Company are performed by its directors and senior officers and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and senior officers of the Company.

### ***TRANSFER AGENT AND REGISTRAR***

Valiant Trust 600-750 Cambie Street, Vancouver, British Columbia, V6B 0A2

### ***LEGAL PROCEEDINGS***

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

### ***OTHER MATTERS***

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

### ***OTHER MATERIAL FACTS***

There are no other material facts other than as disclosed in this Information Circular.

### ***ADDITIONAL INFORMATION***

Financial information about the Company is provided in its comparative financial statements and Management's Discussion and Analysis for the year ended November 30, 2012. You may access these documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

DATED at Surrey, British Columbia, this 15<sup>th</sup> day of May, 2013.

**“Rana Vig”**

President and Chief Executive Officer

## **EXHIBIT "A"**

### **CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF MUSGROVE MINERALS CORP. (the "Company")**

#### **1 Purpose**

- 1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:
  - (a) support the Board of Directors in meeting its responsibilities to shareholders;
  - (b) enhance the independence of the external auditor;
  - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
  - (d) increase the credibility and objectivity of the Company's financial reports and public disclosure.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

#### **2 Membership**

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

#### **3 Authority**

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
  - (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and
  - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.
  - (c) Approve interim financial statements and interim MD&A on behalf of the Board of Directors.

#### **4 Duties and Responsibilities**

4.1. The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
- (b) recommending to the Board of Directors the compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) overseeing the work of the external auditor;
- (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;
- (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures for:
  - i. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and
  - ii. the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.
- (p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;



- (q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;
- (r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

## **5. Meetings**

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.
- 5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.
- 5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.8. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

## **6. Reports**

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

## **7. Minutes**

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.