



INFORMATION CIRCULAR  
As at September 2, 2011

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Grenville Gold Corp. (the "Company") for use at the annual general (the "Meeting") of its shareholders to be held on October 7th, 2011 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.**

In this Information Circular, references to "the Company", "we" and "our" refer to Grenville Gold 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 is by the management of Grenville Gold Corp. (hereinafter called the "Company") proxies to be used at the time and place and for the purposes set forth in the accompanying Notice of Meeting. It is expected that this solicitation will be primarily by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The cost of solicitation by management will be borne by the Company.

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.

**If you are a non-registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or the other intermediary. Failure to do so may result in your shares of the Company not being voted at the Meeting.**

#### *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:

- (a) 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 2<sup>nd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9;

The Proxy must be 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 8338- 120<sup>th</sup> 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 September 2, 2011 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 Common Shares of the Company are listed for trading on the TSX Venture Exchange (the "TSX-V"). Effective at the opening on the TSX-V, on December 24, 2010, the Common Shares of the Company were consolidated on a ratio of 10 old pre consolidation common shares for 1 new post consolidated common shares and also effective the same date, the name of the Company changed from "Grenville Gold Corporation." to "Grenville Gold Corp."

The Company is authorized to issue an unlimited number of Common Shares. As at September 2, 2011, there were 10,604,926 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 September 2, 2011.

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

- (1) the December 31, 2010 audited year end financial statements, the report of the auditor, and related management discussion and analysis, as filed on SEDAR at [www.sedar.com](http://www.sedar.com) on April 29, 2011; and

The audited financial statements of the Company for the year ended December 31, 2010, together with the report of the auditor thereon and related management and discussion and analysis, will be placed before the Meeting.

#### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the 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 size of 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 December 31, 2010.

<b>Name of Nominee; Current Position with the Company and Province or State and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled</b>
<b>JATINDER (JACK) BAL</b> (2) Director Vancouver, B.C.	Mr. Bal has over 15 years of experience in the resource industry and public markets. Mr. Bal has served as President of Centerline Capital Corp., a private management company since November 2003. Mr. Bal is currently a director of CMC Metals Corp. and Upper Canyon Minerals Corp., both of which are resource companies listed on the TSX Venture Exchange. Mr. Bal is also President and Director of Cascadia Energy Corp., a private US company in the business of acquiring and exploring oil and gas properties.	October, 2010	Nil
<b>SONNY JANDA</b> Director Vancouver, B.C.	Mr. Janda is a real estate developer and manager. He holds a Degree in Economics from Simon Fraser University. Mr. Janda sits on the board of directors of Maxtech Ventures Inc. and Lucky Minerals Inc. both of which are listed on the Toronto Venture Exchange. Mr. Janda is also the President and CEO of Grand Peak Capital Corp. a TSX Venture Exchange company that engages in investment and banking related activities.	February, 2011	Nil

<p><b>THOMAS R. TOUGH</b> (2)  President and CEO  Director  Vancouver, B.C.</p>	<p>President, CEO and 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 some \$667,000,000.</p> <p>In 2003 Mr. Tough also joined the board of ISX Resources Inc. which later underwent a name change to Potash One Inc. and listed on the TSX. He is past President and CEO of Potash One Inc., and continued to serve as a director until the Company was sold for some \$434,000,000 in 2011.</p> <p>Mr. Tough joined the board of Maxtech in 2003 and since then has served as President and CEO. He is a director of TSX.V listed Desert Gold Ventures Inc., and in 2010 he became President, CEO and a director of Firebird Resources Inc., listed on the TSX Venture Exchange. He is a member of the Association of Professional Engineers and Geoscientists of British Columbia and holds a B.Sc. in Geology from the University of British Columbia.</p>	<p>October, 2010</p>	<p>Nil</p>
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<b>Name of Nominee; Current Position with the Company and Province or State and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Period as a Director of the Company</b>	<b>Common Shares Beneficially Owned or Controlled</b>
<b>BRIAN THURSTON, (2)</b> Director Vancouver, B.C.	Mr. Thurston has more than 19 years of exploration management and operational experience working on Canadian, Latin American and African projects. He was part of the initial geological exploration team that evaluated the land holdings of Aurelian Resources Inc. (TSX: ARU) in Ecuador in 2002, and held the position of Country Manager for Aurelian in 2004 and 2005. Aurelian was taken over by Kinross Gold Corp. (TSX: K; NYSE: KGC) in a transaction valued at \$1.2 billion. Mr. Thurston has acted as an independent Director for various public and private companies. Most recently Mr. Thurston served as President and CEO of Lion Energy Corp. (TSX-V: LEO) from November 2007 to April 2010, during which time the company successfully raised more than \$30 million dollars to advance their projects.	October 2010	Nil

Notes:

- (1) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) Member of the Audit Committee.

### ***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:

- (a) 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
- (b) 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.

## COMPENSATION AND DISCUSSION ANALYSIS

The purpose of this Compensation Discussion and Analysis is to provide information about the Company's executive compensation objectives and processes and to discuss compensation decisions relating to its named executive officers ("Named Executive Officers") listed in the Summary Compensation Table that follows. During its fiscal year ended December 31, 2010, the following individuals were Named Executive Officers (as determined by applicable securities legislation) of the Company.

A. Paul Gill	-	Chief Executive Officer
Melvin Rokosh	-	Chief Financial Officer

The Company is a mineral exploration company whose assets include exploration properties in Peru. The Company's primary objective is to conduct exploration on various properties.

Notwithstanding the foregoing, given that the Company has not, as of yet, generated any significant income or cash flows from operations and operates with limited financial resources to ensure that funds are available to complete scheduled programs, the Board of Directors has to consider not only the financial situation of the Company at the time of the determination of executive compensation, but also the estimated financial situation of the Company in the mid and long-term. An important element of executive compensation is the grant of incentive stock options by the Company to its employees, directors and officers which do not require cash disbursement by the Company. Additional information about the Company and its operation is available in its audited financial statements and Management's Discussion and Analysis for the year ended December 31, 2010 which have been filed with regulators and are available for viewing via the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### *Compensation Objectives and Principles*

The primary goal of the Company's executive compensation process is to attract and retain the key executives necessary for the company's long term success, to encourage executives to further the development of the Company and its operations and to motivate qualified and experienced executives. The key elements of executive compensation awarded by the company are: (i) potential annual incentive award; and (ii) incentive stock options. The directors are of the view that all elements should be considered, rather than any single element.



### *Share Based and Option Based Awards*

Options to purchase common shares of the Company are intended to align the interests of the Company's directors and executive officers with those of its shareholders, to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value and to reduce the cash compensation the company would otherwise have to pay. The company's Stock Option Incentive Plan is administered by the board of Directors. In establishing the number of the incentive stock options to be granted reference is made to the number of stock options granted to officers of other publicly traded companies that, similar to the Company, are involved in the mining industry, as well as those of other publicly traded Canadian companies on a comparable size to that of the company in respect of assets. The Board of Directors also considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation.

### *Benefits and Perquisites*

The Company does not, as of the date of this Circular, offer any benefits or perquisites to its Named Executive Officers other than entitlement to incentive stock options as otherwise disclosed and discussed herein.

### *Summary Compensation Table*

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, each Named Executive Officer during the fiscal years ended December 31, 2008, 2009 and 2010.

Amounts reported in the table below are in Canadian dollars.

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
A. Paul Gill	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
CEO	2009	90,000	1,983	Nil	Nil	Nil	Nil	Nil	91,983
	2008	74,621	26,409	Nil	Nil	Nil	Nil	Nil	101,030
Melvin Rokosh	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
CFO	2009	72,000	1,983	Nil	Nil	Nil	Nil	Nil	73,983
	2008	60,000	15,984	Nil	Nil	Nil	Nil	Nil	75,984

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

The following table sets out option-based awards granted to the Named Executive Officers during the most recently completed financial year, or in prior years, and that were outstanding as at December 31, 2010. No other share-based awards have been granted to the Named Executive Officers by the Company as at December 31, 2010.

Named Executive Officer	Option-based Awards				Share-based Awards	
	Number of Common Shares Underlying Unexercised Options (#)	Option Exercise Price Per Common Share (\$)	Option Expiry Date	Value of Unexercised in-the-money options <sup>1</sup> (\$)	Number of Shares or Units of Shares That have Not vested (#)	Market or Payout value Of share-Based awards that have not Vested (\$)
A. PAUL GILL	11,000 5,000	4.00 5.00	Feb. 15, 2011 Feb. 15, 2011	Nil	Nil	Nil
MELVIN ROKOSH	2,500 3,500 18,000 18,000 10,000 7,500 2,000	5.20 6.00 3.00 1.00 1.00 1.00 6.00	May 31, 2011 May 31, 2011 May 31, 2011 May 31, 2011 May 31, 2011 May 31, 2011 May 31, 2011	Nil	Nil	Nil

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

Named Executive Officer	Option-based awards – Value vested during the year ended December 31, 2010 (\$)	Share-based awards - Value vested during the year ended December 31, 2010 (\$)	Non-equity incentive plan Compensation - Value earned earned during the year ended December 31, 2010 (\$)
A. Paul Gill	Nil	Nil	Nil
Melvin Rokosh	Nil	Nil	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 December 31, 2010.

Name	Fees earned (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation <sup>(3)</sup> (\$)	Total (\$)
None						

Name	Number of securities underlying unexercised options (#) <sup>(1)</sup>	Option exercise price (\$) <sup>(2)</sup>	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 (\$)
None						

The following table sets out all incentive plans (value vested or earned) during the year ended December 31, 2010, 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 (\$)
None	Nil	Nil	Nil

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The equity compensation plan the Company currently has in place is its Share Option Plan. 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. The Stock Option Plan is attached to this Circular as Exhibit "A".

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2010.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column)
Equity compensation plans approved by securityholders	88,000	\$2.48	972,492

Equity compensation plans not approved by security-holders	Nil	Nil	Nil
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### INDEBTENESS 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	Amount Outstanding as	Financially Assisted Securities Purchases During Year		Amount Forgiven During Year Ended
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 December 31, 2010 (\$)	Amount Outstanding as at March 31, 2011	Financially Assisted Securities Purchases During Year Ended December 31, 2010(#)	Security for Indebtedness	Amount Forgiven During Year Ended December 31, 2010 (\$)
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 December 31, 2010, or has any interest in any material transaction in the current year.

## APPOINTMENT OF AUDITOR

It is intended to authorize the Board of Directors to appoint the Auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration. The Directors have appointed Deloitte & Touche, Chartered Accountants, 2800-1055 Dunsmuir Street, Vancouver, British Columbia, V7X 1P4, as auditors of the Company. Deloitte & Touche were auditors for the year ended December 31, 2010.

### 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. A copy of the Audit Committee Charter is attached to this circular as Exhibit “B”.

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: Jatinder (Jack) Bal , Brian Thurston and Thomas R. Tough. Two of the three audit committee members are “independent” as defined in relevant securities legislation. 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.

***Jatinder (Jack) Bal*** Mr. Bal is a business executive with over 15 years of experience in the resource industry and public markets. His years as director of and involvement with various public companies have given him extensive experience setting up and implementing internal auditing controls and financial reporting for these public companies.

***Brian Thurston*** Mr. Thurston has more than 19 years of exploration management and operational experience working on Canadian, Latin American and African projects. Mr. Thurston’s years of experience with public companies have given him knowledge of auditing controls and financial reporting requirements.

***Thomas R. Tough*** Mr. Tough was President, CEO and Director of Desert Sun Mining Corp. for 18 years and from 2003 through early 2011 Mr. Tough was President, CEO and a director of Potash One Inc., both of which companies are TSX listed. Mr. Tough joined the board of Maxtech Ventures in 2003 and since then has served as President and CEO. He is a director of TSX.V listed Desert Gold Ventures Inc. and in 2010 he became President, CEO and a director of Firebird Resources Inc., listed on the TSX

Venture Exchange. Mr. Tough has extensive knowledge and understanding of public company financial reporting and audit requirements.

### ***Audit Committee Oversight***

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Company's Board of Directors.

### ***Reliance on Exemptions in NI 52-110 regarding lie Minimis Non-audit Services or on a Regulatory Order Generally***

Since the commencement of the Company's most recently completed financial year, the Company has not relied 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 its Charter.

The audit committee has reviewed the nature and amount of the non-audited services provided by Deloitte & Touche to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

<b>Nature of Services</b>	<b>Fees Incurred Due to Auditor in Year Ended December 31, 2010.</b>	<b>Fees Paid to Auditor in Year Ended December 31, 2009.</b>
Audit Fees <sup>(1)</sup>	\$32,648	\$32,488
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$Nil	\$Nil
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil
Total	\$32,648	\$32,488

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 December, 2010. 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 Sonny Janda, Director, Jatinder Bal, Director, Brian Thurston, Director and Thomas R. Tough, Director and Chief Executive Officer.

### ***Directorships***

<b>NAME OF DIRECTOR</b>	<b>NAME OF REPORTING ISSUER</b>
<b>Jatinder (Jack) Bal</b>	<b>Musgrove Minerals Corp., CMC Metals Ltd.</b>
<b>Sonny Janda</b>	<b>Grand Peak Capital, Corp., Maxtech Ventures Inc., Lucky Minerals Inc.</b>
<b>Thomas R. Tough</b>	<b>Fire Bird Resources Inc., Maxtech Ventures Inc. Desert Gold Ventures Inc.</b>

**Brian Thurston**

**Maxtech Ventures Inc.  
Desert Gold Ventures Inc.  
Lion Energy Corp.**

### ***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.

## **MANAGEMENT CONTRACTS**

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

## **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 2010 which is attached to this Information Circular.

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.

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 as attached be and is hereby ratified and approved until the next annual general meeting of the Company.”

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

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

#### **ADDITIONAL INFORMATION**

The audited financial statements of the Company for the year ended December 31, 2010, 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](http://www.sedar.com). Additional information relating to the Company is available from the Company and is filed on SEDAR at [www.sedar.com](http://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](http://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 Surrey, British Columbia, September 2<sup>nd</sup>, 2011.

**BY ORDER OF THE BOARD OF DIRECTORS**

“Thomas R. Tough”

President and Chief Executive Officer

## EXHIBIT “A”

### GRENVILLE GOLD CORPORATION

#### 2010 Stock Option Incentive Plan

#### PURPOSE

The purpose of this Stock Option Incentive Plan is to provide an incentive to Eligible Persons to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

#### 1. DEFINITIONS

In this Plan, the following words have the following meanings:

- (a) “Board” means the Board of Directors of the Company;
- (b) “Common Shares” means the Common Shares of the Company;
- (c) “Company” means Grenville Gold Corporation;
- (d) “Consultant” has the meaning set out in the policies of the TSX Venture Exchange;
- (e) “Effective Date” means the day following the date upon which the Plan has been approved by the last to approve of the shareholders of the Company, the Board, the Exchange and any other regulatory authority having jurisdiction over the Company’s securities;
- (f) “Eligible Person” means any director, Executive officer, employee, consultant or management company employee and their permitted assigns (as those terms are defined by the policies of the TSX Venture Exchange and/or National Instrument 45-106 as amended or replaced from time to time) of the Company or any affiliate of the Company;
- (g) “Exchange” means the TSX Venture Exchange and any other stock exchange or stock quotation system on which the Common Shares trade;
- (h) “Fair Market Value” means, as of any date, the value of the Common Shares, determined as follows:
  - (i) if the Common Shares are listed on the TSX Venture Exchange, the Fair Market Value shall be the last closing sales price for such shares as quoted on such Exchange for the market trading day immediately prior to the date of grant of the Option, less any discount permitted by the TSX Venture Exchange;

- (ii) if the Common Shares are listed on an Exchange other than the TSX Venture Exchange, the fair market value shall be the closing sales price of such shares (or the closing bid, if no sales were reported) as quoted on such Exchange for the market trading day immediately prior to the time of determination less any discount permitted by such Exchange; and
  - (iii) if the Common Shares are not listed on an Exchange, the Fair Market Value shall be determined in good faith by the Board;
- (i) “Investor Relations Activities” has the meaning set out in the policies of the TSX Venture Exchange;
  - (j) “Option” means the option granted to an Optionee under this Plan and the Option Agreement;
  - (k) “Option Agreement” means such option agreement or agreements as is approved from time to time by the Board and as is not inconsistent with the terms of this Plan;
  - (l) “Option Date” means the date of grant of an Option to an Optionee;
  - (m) “Option Price” is the price at which the Optionee is entitled pursuant to the Plan and the Option Agreement to acquire Option Shares;
  - (n) “Option Shares” means, subject to the provisions of Article 8 of this Plan, the Common Shares which the Optionee is entitled to acquire pursuant to this Plan and the applicable Option Agreement;
  - (o) “Optionee” means a person to whom an Option has been granted; and
  - (p) “Plan” means this 2010 Stock Option Incentive Plan.

### **3. ADMINISTRATION**

The Plan shall be administered by the Board, and subject to the rules of the Exchange from time to time and except as provided for herein, the Board shall have full authority to:

- (a) determine and designate from time to time those Eligible Persons to whom Options are to be granted and the number of Option Shares to be optioned to each such Eligible Person;
- (b) determine the time or times when, and the manner in which, each Option shall be exercisable and the duration of the exercise period;

- (c) determine from time to time the Option Price, provided such determination is not inconsistent with this Plan; and
- (d) interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management.

#### **4 OPTIONEES**

Optionees must be Eligible Persons who, by the nature of their jobs or their participation in the affairs of the Company, in the opinion of the Board, are in a position to contribute to the success of the Company.

#### **5. EFFECTIVENESS AND TERMINATION OF PLAN**

The Plan shall be effective as of the Effective Date and shall terminate on the earlier of:

- (a) the date which is ten years from the Effective Date; and
- (b) such earlier date as the Board may determine.

Any Option outstanding under the Plan at the time of termination of the Plan shall remain in effect in accordance with the terms and conditions of the Plan and the Option Agreement.

#### **6. THE OPTION SHARES**

The aggregate number of Option Shares reserved for issuance under the Plan and Common Shares reserved for issuance under any other share compensation arrangement granted or made available by the Company from time to time may not exceed in aggregate 10% of the Company's Common Shares issued and outstanding at the time of grant.

#### **7. GRANTS, TERMS AND CONDITIONS OF OPTIONS**

Options may be granted by the Board at any time and from time to time prior to the termination of the Plan. Options granted pursuant to the Plan shall be contained in an Option Agreement and, except as hereinafter provided, shall be subject to the following terms and conditions:

(a) Option Price

The Option Price shall be determined by the Board, provided that such price shall not be lower than the Fair Market Value of the Option Shares on the date of grant of the Option.

(b) Duration and Exercise of Options

Except as otherwise provided elsewhere in this Plan, the Options shall be exercisable for a period, to be

determined in each instance by the Board, not exceeding ten years from the Option Date. The Options must be exercised in accordance with this Plan and the Option Agreement. Except as contemplated in (c) below, no Option may be exercised by an Optionee who was an Eligible Person at the time of grant of such Option unless the Optionee shall have been an Eligible Person continuously since the Option Date. Absence on leave, with the approval of the Company, shall not be considered an interruption of employment for the purpose of the Plan.

(c) Termination

All rights to exercise Options shall terminate upon the earliest of:

- (i) the expiration date of the Option;
- (ii) the end of the period of time permitted for exercise of the Option (such period of time to not be in excess of six months), to be determined by the Board at the time of the grant of an Option, after the Optionee ceases to be an Eligible Person for any reason other than death, disability or cause;
- (iii) the 30<sup>th</sup> day after the Optionee who is engaged in Investor Relations Activities for the Company ceases to be employed to provide Investor Relations Activities;
- (iv) the date on which the Optionee ceases to be an Eligible Person by reason or termination of the Optionee as an employee or consultant of the Company for cause (which, in the case of a consultant, includes any breach of an agreement between the Company and the consultant);
- (v) the first anniversary of the date on which the Optionee ceases to be an Eligible Person by reason of termination of the Optionee as an employee or consultant on account of disability; or
- (vi) the first anniversary of the date of death of the Optionee.

(d) Re-issuance of Options

Options which are cancelled or expire prior to exercise may be re-issued under the Plan without shareholder approval.

(e) Transferability of Option

Options are non-transferable and non-assignable.

(f) Other terms and conditions

In addition, for as long as the Common Shares of the Company are listed on the TSX Venture Exchange, the Company shall comply with the following requirements:

- (i) Options to acquire more than 2% of the issued and outstanding Common Shares of the Company may not be granted to any one consultant in any 12 month period;
- (ii) Options to acquire more than an aggregate of 2% of the issued and outstanding Common Shares of the Company may not be granted to persons employed to provide Investor Relations Activities in any 12 month period;
- (iii) Options issued to Eligible Persons performing Investor Relations Activities must vest in stages over 12 months with no more than one-quarter of the Options vesting in any three month period;
- (iv) the approval of the disinterested shareholders of the Company shall be obtained:
  - A. for Options granted to any one individual in any 12 month period to acquire more than 5% of the issued and outstanding Common Shares of the Company;
  - B. for any amendment to or reduction in the exercise price of the Option if the Optionee is an insider of the Company at the time of the amendment; and
  - C. for grants of Options if the Plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in the grant to insiders of the Company, within a 12-month period, of a number of Option Shares exceeding 10% of the Company's issued Common Shares.

For the purposes of this subsection, the term "insider" has the meaning assigned in the securities legislation applicable to the Company; and

- (v) for Options granted to the employees, consultants or management company employees of the Company, the Company will represent that the Optionee is a *bona fide* employee, consultant or management company employee of the Company, as the case may be.

## **8. ADJUSTMENT OF AND CHANGES IN THE OPTION SHARES**

- (a) If the Option Shares are at any time to be listed or quoted on any stock exchange or stock quotation system other than the TSX Venture Exchange, to the extent that there are any Options which are outstanding and unexercised at the time of such application for listing, the Option Price, the aggregate number of Option Shares,

the exercise period, and any other relevant terms of such Options, and the Option Agreements in relation thereto, shall be amended in accordance with the requirements of any applicable securities regulation or law or any applicable governmental or regulatory body (including the Exchange). Subject to the requirements of the Exchange, any such amendment shall be effective upon receipt of Board approval of it, and the approval of any of the shareholders of the Company or any of the Optionees is not required to give effect to such amendment.

- (b) If the Option Shares, as presently constituted, are changed into or exchanged for a different number or kind of shares or other securities of the Company or of another Company (whether by reason of merger, consolidation, amalgamation, recapitalization, reclassification, split, reverse split, combination of shares, or otherwise) or if the number of such Option Shares are increased through the payment of a stock dividend, then there shall be substituted for or added to each Option Share subject to or which may become subject to an Option under this Plan, the number and kind of shares or other securities into which each outstanding Option Share is so changed, or for which each such Option Share is exchanged, or to which each such Option Share is entitled, as the case may be. Outstanding Options under the Option Agreements shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event that there is any other change in the number or kind of the outstanding Option Shares or of any shares or other securities into which such Option Shares are changed, or for which they have been exchanged, then, if the Board shall, in its sole discretion, determine that such change equitably requires an adjustment in any Option theretofore granted or which may be granted under the Plan, such adjustment shall be made in accordance with such determination.
- (c) Fractional shares resulting from any adjustment in Options pursuant to this Section 8 will be cancelled. Notice of any adjustment shall be given by the Company to each holder of an Option which has been so adjusted and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes of the Plan.

## **9. PAYMENT**

Subject as hereinafter provided, the full purchase price for each of the Option Shares shall be paid by certified cheque in favour of the Company upon exercise thereof. An Optionee shall have none of the rights of a shareholder in respect of the Option Shares until the shares are issued to such Optionee.

## **10. SECURITIES LAW REQUIREMENTS**

No Option shall be exercisable in whole or in part, nor shall the Company be obligated to issue any Option Shares pursuant to the exercise of any such Option, if such exercise and issuance would, in the opinion of counsel for the Company, constitute a breach of any applicable laws from time to time, or the rules from time to time of the Exchange. Each Option shall be subject to the further requirement that if

at any time the Board determines that the listing or qualification of the Option Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including the Exchange), is necessary as a condition of, or in connection with, the issue of the Option Shares hereunder, such Option may not be exercised in whole or in part unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

## **11. AMENDMENT OF THE PLAN**

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time, but an amendment may not be made without shareholder approval if such approval is necessary to comply with any applicable regulatory requirement.
- (b) The Board shall have the power, in the event of:
  - (i) any disposition of substantially all of the assets of the Company, dissolution or any merger, amalgamation or consolidation of the Company, with or into any other Company, or the merger, amalgamation or consolidation of any other Company with or into the Company; or
  - (ii) any acquisition pursuant to a public tender offer of a majority of the then issued and outstanding Common Shares;

but subject to compliance with the rules of the Exchange, to amend any outstanding Options to permit the exercise of all such Options prior to the effectiveness of any such transaction, and to terminate such Options as of such effectiveness in the case of transactions referred to in subsection (i) above, and as of the effectiveness of such tender offer or such later date as the Board may determine in the case of any transaction described in subsection (ii) above. If the Board exercises such power, all Options then outstanding and subject to such requirements shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to the effectiveness of such transaction, and such Options shall also be deemed to have terminated as provided above.

## **12. POWER TO TERMINATE OR AMEND PLAN**

Subject to the approval of any stock exchange on which the Company's securities are listed, the Board may terminate, suspend or amend the terms of the Plan; provided, that the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval, or by the written consent of the holders of a majority of the securities of the Company entitled to vote:

- (a) increase the aggregate number of Common Shares which may be issued under the Plan;
- (b) materially modify the requirements as to the eligibility for participation in the Plan which would have the potential of broadening or increasing Insider participation;



- (c) add any form of financial assistance or any amendment to a financial assistance provision which is more favourable to participants under the Plan;
- (d) add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Plan reserve; and
- (e) materially increase the benefits accruing to participants under the Plan.

However, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

- (a) amendments of a housekeeping nature to the Plan;
- (b) a change to the vesting provisions of a security or the Plan; and
- (c) a change to the termination provisions of a security or the Plan which does not entail an extension beyond the original expiry date.

### **13. SHAREHOLDER APPROVAL**

This Plan is subject to the approval of the shareholders of the Company yearly at each annual general meeting of the Company.

## **EXHIBIT “B”**

### **GRENVILLE GOLD CORP. (the “Company”)**

#### **AUDIT COMMITTEE CHARTER**

The Audit Committee is appointed by the Corporation's Board to assist the Board in monitoring: (1) the integrity of the financial statements of the Corporation; (2) the compliance by the Corporation with legal and regulatory requirements; and (3) the independence and performance of the Corporation's external auditors, which external auditors shall report directly to the Audit Committee.

The members of the Audit Committee shall meet the independence and experience requirements of applicable securities laws and any exchange or quotation system upon which the Corporation's securities are listed or quoted. The members of the Audit Committee shall be appointed by the Board.

The Audit Committee shall have the authority to retain independent legal, accounting or other consultants to advise the Committee as the Audit Committee determines necessary to carry out its duties and the Audit Committee shall have the authority to set and pay the compensation for any such advisors.

The Audit Committee may request any officer or employee of the Corporation or the Corporation's outside counsel or independent auditor to attend a meeting of the Audit Committee or to meet with any members of, or consultants to, the Audit Committee.

The Audit Committee shall make regular reports to the Board.

The Audit Committee shall:

1. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
2. Review the annual audited financial statements, the interim financial statements, management's discussion and analysis with management and annual and interim earnings press releases, including major issues regarding accounting and auditing principles and practices as well as the adequacy of internal controls that could significantly affect the Corporation's financial statements. Such review must occur prior to the Corporation publicly disclosing any such information.

3. Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements.
4. Review an analysis prepared by management and the independent auditor of significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements, including an analysis of the effect of alternative GAAP methods on the Corporation's financial statements.
5. Review with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Corporation's financial statements.
6. Meet with management to review the Corporation's major financial risk exposures and the Corporation's internal controls.
7. Review major changes to the Corporation's internal controls and accounting principles and practices as suggested by the independent auditor, internal accounting or financial personnel or management.
8. Recommend to the Board the nomination and appointment of the independent auditor for the purposes of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, which independent auditor is ultimately accountable to the Audit Committee and the Board.
9. Review the experience and qualifications of the senior members of the independent auditor team, the audit procedures of the independent auditor and the rotation of the lead partner and reviewing partner of the independent auditor.
10. Approve the compensation to be paid to the independent auditor for audit services.
11. Pre-approve the retention of the independent auditor for all audit and any non-audit services, including tax services, and the fees for such non-audit services which are provided to the Corporation or its subsidiary entities.
12. Receive periodic reports from the independent auditor regarding the auditor's independence, discuss such reports with the auditor, consider whether the provision of non-audit services is compatible with maintaining the auditor's independence and, if so determined by the Audit Committee, recommend that the Board take appropriate action to satisfy itself of the independence of the auditor.
13. Evaluate together with the Board the performance of the independent auditor. If so determined by the Audit Committee, recommend that the Board replace the independent auditor.
14. Recommend to the Board guidelines for the Corporation's hiring of partners, employees and former partners and employees of the present and former independent auditor who were engaged on the Corporation's account.

15. Review the significant reports to management pertaining to the presentation and significant accounting policies of the Corporation's financial statements.
16. Obtain reports from management, the Corporation's senior accounting and financial personnel and the independent auditor that the Corporation and its subsidiaries are in conformity with applicable legal requirements, including disclosures of insider and affiliated party transactions.
17. Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee or anonymous complaints or published reports which raise material issues regarding the Corporation's financial statements or accounting policies.
18. Review with the independent auditor any problems or difficulties the auditor may have encountered and any disagreements between the independent auditor and management of the Corporation and any management letter provided by the auditor and the Corporation's response to that letter. Such review should include:
  - (a) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information, and any disagreements with management;
  - (b) The internal accounting and financial responsibilities; and
  - (c) The investigation and implementation of the resolution of any disagreement between the independent auditor and the management of the Corporation.
19. Advise the Board with respect to the Corporation's policies and procedures regarding compliance with applicable laws and regulations.
20. Meet at least quarterly with the Chief Financial Officer and the independent auditor in separate executive sessions.
21. Establish a procedure for:
  - (a) The receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
  - (b) The confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Corporation's financial statements are complete and accurate and are in accordance with Canadian generally accepted accounting principles. This is the responsibility of management and the independent auditor. Nor is it the duty of the Audit Committee to conduct investigations, to resolve disagreements, if any, between management and the independent auditor or to assure compliance with laws and regulations.