

# **MAXTECH**

VENTURES INC.

**ANNUAL GENERAL AND SPECIAL MEETING  
OF SHAREHOLDERS OF  
MAXTECH VENTURES INC.  
TO BE HELD ON  
THURSDAY, MARCH 29, 2012**

***NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR***

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February 29, 2012

**MAXTECH VENTURES INC.**

1250 West Hastings Street  
Vancouver, BC  
V6E 2M4

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON THURSDAY, MARCH 29, 2012**

NOTICE IS HEREBY GIVEN that the an annual general meeting (the “Meeting”) of the shareholders of Maxtech Ventures Inc. (“Maxtech” or the “Company”) will be held at 1250 West Hastings Street, Vancouver, BC, on Thursday, March 29, 2012, at 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended July 31, 2011 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 consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to affirm, ratify and approve the Company's stock option plan; and
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

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, Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment.

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 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 Vancouver, British Columbia, this 29<sup>th</sup> day of February, 2012

**MAXTECH VENTURES INC.**

(signed) “*Ayub Khan*”

By: Ayub Khan  
Chief Executive Officer

## **INFORMATION CIRCULAR**

The information contained in this Information Circular, unless otherwise indicated, is as of February 23, 2012.

This Information Circular is being mailed by the management of the Company to everyone who was a shareholder of record of the Company on February 23, 2012, 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 Thursday, March 29, 2012 at 10:00 a.m. (Vancouver time) at 1250 West Hastings Street, Vancouver, BC V6E 2M4.

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 cost of solicitation will be borne by the Company.

Under Maxtech's Articles, the quorum for the transaction of business at a meeting of shareholders is two or more shareholders who are present in person, or who are represented by proxy. 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***

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Voting at the Meeting will be by a show of hands, each shareholder in attendance having one vote, unless a poll is requested or otherwise required, in which case each shareholder is entitled to one vote for each share held. 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 favour, then the resolution is approved (an “ordinary resolution”) unless the motion requires a special resolution in which case a majority of 66 2/3% of the votes cast will be required (a “special resolution”).

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

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If you are a registered shareholder of Maxtech as at February 23, 2012, 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 proxyholder 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 NON-REGISTERED 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***

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If you do not come to the Meeting, you can still make your votes count by voting over the internet or via telephone (see proxy for instructions) or by appointing someone who will be there to act as your proxyholder. 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?***

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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 proxyholder, 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 Maxtech's transfer agent, registrar and transfer agent, Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (Facsimile: 1-866-249-7775) at least 48 hours not later than 48 hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment thereof. Unregistered shareholders who receive the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.**

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

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**You can choose any individual to be your proxyholder.** 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 proxyholder 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 proxyholder. The persons named in the accompanying Proxy as proxyholders are directors or executive officers of Maxtech (the "Management Proxyholders").

**A shareholder or an intermediary holding shares and acting on behalf of an unregistered shareholder has the right to appoint a person (who need not be a shareholder) to attend and act on his behalf at the meeting other than the persons named in the proxy as proxyholders. To exercise this right, the shareholder or intermediary must strike out the names of the persons named in the proxy as proxyholders and insert the name of his nominee in the space provided or complete another proxy.**

### **INSTRUCTING YOUR PROXY**

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder 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 proxyholder can vote your shares as he or she thinks fit.**

At the time of printing this Information Circular, the management of Maxtech 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 Proxyholders as your proxyholder, 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 DMCL, Chartered Accountants, as the auditor of Maxtech;**
- ✓ **FOR the resolution to authorize the directors to fix the remuneration to be paid to the auditor;**
- ✓ **FOR the approval and ratification of the Maxtech 2012 Stock Option Plan.**

### **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 Maxtech at 1250 West Hastings Street, Vancouver, BC, V6E 2M4; 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 (Vancouver 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***

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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, Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by fax at 1-866-249-7775 or by mail to Proxy Department, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9 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.

#### ***NON-REGISTERED SHAREHOLDERS***

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**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Some shareholders of the Company are “non-registered shareholders” because the shares they own are not registered in their names but are instead registered in the name of a “nominee”, usually a brokerage firm, bank, or trust company through which they purchased the shares.** Sometimes the shares are held in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the nominee is a participant or in the United States, 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.

If your shares are not registered in your own name, we will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the Meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. It is not necessary to complete the form in any other respect, since you will be voting at the Meeting in person.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of these meeting materials including the Notice of Meeting, this Information Circular and the Proxy to the clearing agencies and nominees for onward distribution to Non-Registered Holders (collectively, the “Meeting Materials”).

Nominees are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Nominees will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Nominee** (typically by a facsimile, stamped signature), that shows the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Nominee has already signed the form of proxy, a Non-Registered Holder who wishes to vote their shares completes the form of proxy and delivers it to **Computershare Trust Company** as noted above; or
- (b) more typically, the Non-Registered Holder receives a voting instruction form **which is not signed by the Nominee**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Nominee or its service company**, will become the voting instructions (often called a “proxy authorization form” or “voting instruction form”, VIF) that the Nominee must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, and has a removable label containing a bar code and other information. The Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy to validate the form and must also properly complete and sign the form of proxy and return it to the Nominee or its service company in according to the Nominee’s instructions.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares, which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the meeting in person, the Non-Registered Holder should strike out the names of the Management Proxyholders and insert the Non-Registered Holder’s name in the blank space provided.

**In either case, Non-Registered Holders should carefully follow the instructions of their Nominee, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

*The Notice of Meeting, this Information Circular and form of proxy are being sent to both registered and nonregistered owners of the Company’s common shares. 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 the Company’s common shares, 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 the request for voting instructions form.*

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

### **OUTSTANDING MAXTECH GOLD SHARES**

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value. All issued shares are entitled to be voted at the Meeting and each has one vote. As of February 23, 2012 there were 33,649,002 common shares issued and outstanding.

### **PRINCIPAL HOLDERS OF MAXTECH GOLD SHARES**

Only those common shareholders of record as of February 23, 2012 will be entitled to vote at the Meeting or any adjournment thereof. To the knowledge of the directors and executive officers of the Company, no person 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**

### **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended July 31, 2011 will be placed before you at the Meeting. These financial statements and MD&A are available for review on SEDAR. 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. See PART 8 – OTHER INFORMATION - ADDITIONAL INFORMATION below.

### **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 Maxtech's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors cannot be fewer than three. Maxtech currently has five directors.

Management proposes to nominate the persons named under the heading Nominees for Election, below, for election as directors of the Company.

It is proposed to fix the number of directors at five (5). 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, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company and the 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 representatives 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.

Mr. Brian Thurston, a director of the Company since 2010, resigned as director on February 9, 2012. Maxtech would like to express its thanks to Mr. Thurston for his contribution to the Company during his tenure.

<p><b>Thomas Tough, B.Sc., P.Eng.</b></p> <p><i>Delta, BC, Canada</i></p> <p>Chairman, Director</p> <p>Director since December 9, 2003</p> <p><b>Non-Independent</b></p>	<p>Mr. Tough has more than 40 years' experience as a consulting engineer in 40 countries. He served as a director and as President and CEO of Desert Sun Mining Corp. for 18 years and was also a director and President and CEO of Potash One Inc. His areas of expertise include underground and surface exploration; reserve estimations; feasibility studies on precious metal projects and underground gold placer deposits; and the development and/or production of precious, base, industrial minerals, gemstones and oil and gas. He has negotiated corporate financings and joint venture partnerships and successfully dealt with various levels of domestic and foreign government bodies. Mr. Tough holds a B.Sc. in Geology from the University of British Columbia and is a member of the Association of Professional Engineers and Geoscientists of British Columbia.</p>										
	<table border="1"> <thead> <tr> <th style="text-align: left;">Board and Committees</th> <th style="text-align: left;">Other Directorships</th> </tr> </thead> <tbody> <tr> <td>Director of the Board Audit Committee Member</td> <td>Chimata Gold Corp. (TSXV:CAT) Cielo Gold Corp. (CNSX:CMC) Firebird Resources Inc. (TSXV:FIX) Desert Gold Ventures Inc. (TSXV:DAU) Grenville Gold Corporation (TSXV:GVG) GTO Resources Inc. (TSXV:GTR) Musgrove Minerals Corp. (TSXV:MGS)</td> </tr> </tbody> </table>	Board and Committees	Other Directorships	Director of the Board Audit Committee Member	Chimata Gold Corp. (TSXV:CAT) Cielo Gold Corp. (CNSX:CMC) Firebird Resources Inc. (TSXV:FIX) Desert Gold Ventures Inc. (TSXV:DAU) Grenville Gold Corporation (TSXV:GVG) GTO Resources Inc. (TSXV:GTR) Musgrove Minerals Corp. (TSXV:MGS)						
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	<p><b>Securities Held</b></p> <p>375,000</p>										
	<p><b>Options Held</b></p> <table border="1"> <thead> <tr> <th style="text-align: left;">Date granted</th> <th style="text-align: left;">Expiry Date</th> <th style="text-align: left;">Exercise Price</th> <th style="text-align: left;">Unexercised Options</th> <th style="text-align: left;">Value of in-the-money options</th> </tr> </thead> <tbody> <tr> <td colspan="5">Nil</td> </tr> </tbody> </table>	Date granted	Expiry Date	Exercise Price	Unexercised Options	Value of in-the-money options	Nil				
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Nil											

<p><b>Ayub Khan, B.Sc.</b> <i>Geneva, Switzerland</i> CEO, Director Director since July 9, 2007 <b>Non-Independent</b></p>	Mr. Khan provides professional business and finance administration services to both public and private companies; over the last twenty years, he has been involved in acquiring, restructuring, and financing public companies. Mr. Khan holds a B.Sc. in Business Administration & Finance from Ball State University.				
	<b>Board and Committees</b>		<b>Other Directorships</b>		
	Director of the Board		Grand Peak Capital Corp. (TSXV:GPK) Lucky Mineral Corp. (TSXV:LJ) Maxtech Ventures Inc. (TSXV:DAU)		
	<b>Securities Held</b>				
	Nil				
	<b>Options Held</b>				
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Nil					

<p><b>Curt Huber</b> <i>North Vancouver, BC Canada</i> President, Director Director since February 15, 2012 previously a director from January 1, 2005 to June 10, 2008 <b>Non-Independent</b></p>	Mr. Huber is an independent corporate/financial consultant who has been involved in all facets of public companies for the over 25 years. He is an experienced Director and/or Senior Officer and has represented numerous public companies in many different sectors, including mining, oil and gas, and technology. In addition, he has also provided investor relation services, raised funding in the public markets and created corporate awareness for the with which companies he has been associated.				
	<b>Board and Committees</b>		<b>Other Directorships</b>		
	Director of the Board		Mr. Huber does not serve on the boards of any other reporting issuers.		
	<b>Securities Held</b>				
	172,800				
	<b>Options Held</b>				
	<b>Date granted</b>	<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Unexercised Options</b>	<b>Value of in-the-money options</b>
Nil					

<p><b>Peter Hawley, B.Sc., P.Geo.</b></p> <p><i>Toronto, ON, Canada</i></p> <p>Director</p> <p>Director since September 15, 2009</p> <p><b>Independent</b></p>	<p>Mr. Hawley has twenty-five years' experience in the mining industry; his career has spanned grassroots exploration through to development and production. He has worked extensively as a consulting geologist primarily with intermediate and senior mining companies including Teck Corp., Noranda Inc., Placer Dome Inc., and Barrick Gold Corp. He is also experienced in private and public company financing and corporate administration and is the chairman, CEO and founder of Scorpio Mining Corp. (TSX: SPM) which has a 1000 tonne per day mining operation producing in Mexico.</p>				
	<b>Board and Committees</b>		<b>Other Directorships</b>		
	Director of the Board		Scorpio Mining Inc. (TSX:SPM)		
	Audit Committee Member		Scorpio Gold Corporation (TSXV:SGN)		
			Abitex Resources Inc. (TSXV:ABE)		
	<b>Securities Held</b>				
	Nil				
<b>Options Held</b>					
<b>Date granted</b>	<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Unexercised Options</b>	<b>Value of in-the-money options</b>	
Nil					

<p><b>Sonny Janda, B.A.</b></p> <p><i>Richmond, BC, Canada</i></p> <p>Director</p> <p>Director since April 8, 2010</p> <p><b>Independent</b></p>	<p>Mr. Janda began his career in the Canadian real estate management, development and acquisitions market where he gained extensive experience. In 2010, he was appointed President and CEO of Grand Peak Capital Corp., a company that invests in public and private corporations, primarily in junior exploration companies. He holds a B.A. in Economics from Simon Fraser University.</p>				
	<b>Board and Committees</b>		<b>Other Directorships</b>		
	Director of the Board		Grand Peak Capital Corp. (TSXV:GPK)		
	Audit Committee Chair		Lucky Minerals Corp. (TSXV:LJ)		
			Chimata Gold Corp. (TSXV:CAT)		
			Desert Gold Ventures Inc. (TSXV:DAU)		
			Red Star Capital Ventures Inc. (TSXV:RSM.P)		
		Grenville Gold Corporation (TSXV:GVG)			
		Orofino Minerals Inc. (TSXV:ORR)			
		Cache Exploration Inc. (TSXV:CAY)			
		Innovative Properties Inc. (TSXV:INR)			
<b>Securities Held</b>					
Nil					
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<b>Date granted</b>	<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Unexercised Options</b>	<b>Value of in-the-money options</b>	
Nil					

Under the provisions of the *Business Corporations Act* (British Columbia) the Company is required to have an audit committee whose members are indicated above. See also PART 6 – AUDIT COMMITTEE, below.

The Company's management recommends that shareholders vote in favour 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 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 to 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**

During the financial year ended July 31, 2011, DeVisser Gray LLP, Chartered Accountants of 401 – 905 West Pender Street, Vancouver, British Columbia V6C 1L6 were the auditors of Maxtech. They have served as the Company's auditor since 2003. For the upcoming fiscal year Management has nominated Dale Matheson Carr-Hill Labonte LLP ("DMCL") to replace DeVisser Gray LLP. Please see Exhibit "A" to this information circular for the Notice of Change of Auditor and accompanying letters from DeVisser Gray LLP and DMCL LLP filed with the applicable securities regulatory authorities by the Company pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*. See also PART 6 – AUDIT COMMITTEE.

The Company's management recommends that shareholders vote in favour of the appointment of DMCL, Chartered Accountants as the Company's auditor for the ensuing year and in favour of granting the Board of Directors the authority to determine the auditor's remuneration.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DMCL, 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**

Policy 4.4 of the TSX Venture Exchange (the "Exchange") specifies that all listed issuers must implement a stock option plan. Maxtech's Stock Option Plan (the "2005 Plan") reserves for issuance 6,116,000 common shares Maxtech, which represented approximately 20% of the issued common shares of Maxtech at the time the reservation, was approved by shareholders. Maxtech's management proposes that the 2005 Plan be amended to increase the number of shares reserved for issuance under the 2005 Plan to 6,729,800 (to be renamed the "2012 Plan"), which represents 20% of Maxtech's issued shares as at the date of this Information Circular, in accordance with the policies of the TSX Venture Exchange (the "Exchange"). The 2012 Plan will be administered by the Board of Directors and will enable Maxtech to better align the interests of its directors, management and employees with those of its shareholders and reduce the cash compensation Maxtech would otherwise have to pay.

Pursuant to the policies of the Exchange, approval of Disinterested Shareholders (as hereinafter defined) is required if a stock option plan, together with all of the company's previously established and outstanding stock option plans or grants, could result at any time in the number of shares reserved for issuance under stock options granted to Insiders exceeding 10% of the company's issued shares; or grants to Insiders, within a 12-month period, of a number of options exceeding 10% of the issued shares. Although this is not presently the case for Maxtech, management believes it prudent to obtain Disinterested Shareholder approval of the 2012 Plan, in the event the situation occurs in the future and, as such, Disinterested Shareholders will be asked at the Meeting to approve this resolution.

Shareholders who are not Insiders or associates of Insiders of Maxtech (the "Disinterested Shareholders") will be asked to approve the 2012 Plan. "Insider", as defined in the *Securities Act* (British Columbia), includes directors, officers and holders of greater than 10% of the issued share capital of an issuer. As at the date of this Information Circular and based on the information available to Maxtech, holders of 547,800 common shares are not entitled to vote on the resolution to approve the 2012 Plan.

### *Terms of the 2012 Stock Option Plan*

A full copy of the Stock Option Plan will be available at the Annual General Meeting 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 2012 Plan (including all options granted by the Company prior to the adoption of the 2012 Plan) will not exceed 6,729, 800 common shares.

Maximum Term of Options. The term of any options granted under the 2012 Plan is fixed by the Board of Directors and may not exceed five 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 TSX Venture.

Amendment. The Board of Directors may amend the 2012 Plan at any time; however, an amendment may not be made without shareholder approval if shareholder approval is necessary to comply with applicable regulatory requirements.

Vesting. The Board of Directors may determine vesting terms, if any.

Termination. Any options granted under the 2012 Plan will terminate at the end of the period of time (to be determined in each instance by the Board of Directors at the time of grant), that cannot be in excess of one year after the option holder ceases to act as a director, officer, employee or consultant of Maxtech or any of its affiliates, unless he or she ceases to act on account of death, disability or termination of employment with cause. If a cessation is on account of disability or death, the options terminate on the first anniversary of the cessation, and if it is on account of termination of employment with cause, the options terminate immediately.

Administration. The Stock Option Plan is administered by the Board of Directors of the Company and the Compensation Committee or to an employee or senior officer 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 will 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.

As at the date of this Information Circular, there are no options outstanding. During the financial year ended July 31, 2011, no stock options were exercised, no stock options were granted.

The full text of the 2012 Plan will be available for review at the Meeting. Disinterested Shareholders will be asked at the Meeting to vote on the following resolution:

**"RESOLVED THAT:**

- (1) The amendment to increase the number of common shares reserved for issuance under the Company's 2005 Stock Option Plan, to 6,729,800 common shares, and the designation of such amended plan as the 2012 Stock Option Plan all as more particularly described in the Company's Information Circular dated February 29, 2012, 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 2012 Plan from time to time, without further shareholder approval, as may be required by the TSX Venture Exchange or any other stock exchange upon which the Company's shares may be listed for trading in order to cause the 2012 Plan to fully comply with the requirements of the TSX Venture Exchange or such other exchange and to fully carry out this resolution;

- (2) The granting of stock options under the 2012 Plan, from time to time during the ensuing year, to a single optionee that will exceed 5% of the Company's issued shares or to insiders, as a group, that in aggregate will exceed 10% of the Company's issued shares be and is hereby authorized and approved; and
- (3) Any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions."

Once the 2012 Plan is approved by Maxtech's Disinterested Shareholders, further shareholder approval will not be required for option grants made under the 2012 Plan, except as required by the policies of the TSXV. Should the 2012 Plan not receive approval by Maxtech's Disinterested Shareholders at the Meeting, the current 2005 Plan will remain in place.

As at February 23, 2012, the record date, the Company had a total of 33,649,002 common shares issued and outstanding.

The Company's management recommends that shareholders vote in favour of the resolution to ratify and approve the 2012 Stock Option Plan.

**Unless you give instructions otherwise, the Management Proxyholders intend to vote FOR the approval and ratification of the Maxtech Stock Option Plan.**

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

As defined under applicable securities legislation, the Company had the following "Named Executive Officers" during the financial year ended July 31, 2011 as set out below:

Thomas Tough, P.Eng. - Chief Executive Officer from June 10, 2008 to February 15, 2012  
Larry Tsang, C.A. – Chief Financial Officer from March 17, 2011 to present  
John Morita, CGA – Chief Financial Officer from September 15, 2008 to March 17, 2011

#### ***Definitions:***

##### ***For the purpose of this Information Circular:***

"CEO" means an individual who acted as chief executive officer of the company, or acted in a similar capacity, for any part of the most recently completed financial year;

"CFO" means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

"closing market price" means the price at which the Company's security was last sold, on the applicable date,

(a) in the security's principal marketplace in Canada, or

(b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;



**"company"** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

**"equity incentive plan"** means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;

**"external management company"** includes a subsidiary, affiliate or associate of the external management company;

**"grant date"** means a date determined for financial statement reporting purposes under Section 3870 of the Handbook;

**"Handbook"** means the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time;

**"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**"incentive plan award"** means compensation awarded, earned, paid, or payable under an incentive plan;

**"NEO" or "named executive officer"** means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

**"NI 52-107"** means National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

**"non-equity incentive plan"** means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

**"option-based award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

**"plan"** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

**"replacement grant"** means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

**"repricing"** means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

"**share-based award**" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

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

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### *Goals and Objectives*

The Company's executive compensation program focuses primarily on rewarding the efforts of its executives in increasing shareholder value and meeting the Company's goals. The Board reviews on an annual basis 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, and the value of similar incentive awards to executive officers at comparable companies, and the awards given to executive officers in past years.

### *Executive Compensation Program*

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.

Executive compensation is comprised of three elements: base fees (may be consulting fees) or salary, short-term incentive compensation (discretionary cash bonuses) and long-term incentive compensation (share options). The Board reviews all three components in assessing the compensation of individual executive officers and of the Company as a whole.

Base fees or salaries and bonuses (discretionary) are intended to provide current compensation and a short-term incentive for executive officer's to meet the Company's goals, as well as to remain competitive with the industry.

Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise, and capabilities demonstrated by the executive officers. Executive officers are also eligible to receive discretionary bonuses as determined by the Board based on each officer's responsibilities, his achievement of individual and corporate objectives and the Company's financial performance.

Cash bonuses are intended to reward the executive officers for meeting or exceeding the individual and corporate performance objectives set by the Board.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are 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. See Option Based Awards below.

Mr. Tough was President and Chief Executive Officer of the Company from June 10, 2008 until February 15, 2012. On February 15, 2012 Mr. Curt Huber was appointed President of Maxtech and Mr. Ayub Khan was appointed CEO. Given Maxtech's current stage of development and operational objectives, neither the CEO nor the President currently receive a base salary and neither charges a consulting fee to the Company.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are 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. See "Option Based Awards", below.

Mr. Tough provided his services to the Company as a consultant and devoted such time to the Company's activities as was required, accounting for approximately 20 to 30 percent of his time. Given Maxtech's development and operational objectives, Mr. Tough did not receive a base salary nor did he charge a consulting fee to the Company.

The current CEO, Ayub Khan, and the current President, Curt Huber, similarly do not receive a base salary and do not charge a consulting fee to the Company. At this time, they do not have management agreements in place with the Company; Mr. Khan devotes approximately 10% of his time to the business of the Company while Mr. Huber devotes the majority of his time to the Company. The Company and its senior officers believe that at the current time, the Company's resources are better utilized if they forego compensation in the form of cash payments, thereby allowing the Company to provide compensation to such officers and employees who are employed and working full time to advance the Company's business and build shareholder value. The Company reviews these arrangements annually and, when appropriate, may implement compensation for the President and CEO.

### *Option Based Awards*

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's stock option plan (the "Stock Option Plan") to receive grants of stock options. Individual stock options are granted by the Board as a whole and the number, and terms of such options is dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which an officer's long term contribution to the Company will be crucial to its overall long-term success.

Stock options grants may be made periodically to ensure that the number of options granted to any particular officer 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. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and the current policy of the Board is that

options expire two to five years from the date of grant. See PART 3 - THE BUSINESS OF THE MEETING-APPROVAL OF STOCK OPTION PLAN.

The Company has a formalized stock option plan for the granting of incentive stock options to its officers, employees, consultants, and Directors. During the most recently completed financial year, no stock options were granted.

**SUMMARY COMPENSATION TABLE**

The table that follows sets out certain information respecting the compensation paid to the CEO and the CFO. These individuals are referred to collectively as the “Named Executive Officers” or “NEOs”. No executive officer received compensation in excess of \$150,000 for the year ended July 31, 2011.

Name and Principal Position	Year (period) Ended	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total (\$)
					Annual incentive plans	Long term incentive plans			
<b>Thomas R. Tough, P.Eng.<sup>1</sup></b> <i>President &amp; CEO</i>	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Larry Tsang, C.A.<sup>2</sup></b> <i>CFO</i>	2011	Nil	Nil	Nil	Nil	Nil	Nil	9,950	9,950
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>John Morita, CGA<sup>3</sup></b> <i>CFO</i>	2011	Nil	Nil	Nil	Nil	Nil	Nil	3,650	3,650
	2010	Nil	Nil	Nil	Nil	Nil	Nil	3,775	3,775
	2009	Nil	Nil	Nil	Nil	Nil	Nil	2,475	2,475

<sup>1</sup> Mr. Tough was appointed in 2008 and served as CEO and President until February 15, 2012; he is currently serving as Chairman.

<sup>2</sup> Mr. Tsang was appointed March 17, 2012

<sup>3</sup> Mr. Morita resigned effective March 17, 2011 after serving as CFO since September 15, 2008

**INCENTIVE PLAN AWARDS**

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

The Company has a formalized stock option plan for the granting of incentive stock options to its officers, employees, consultants, and directors. During the most recently completed financial year, no stock options were granted.

NEO Name and Principal Position	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price \$	Option expiration date	Value of unexercised in-the-money options \$	Number of shares or units of shares that have not vested	Market payout value of share-based awards that have not vested \$
<b>Thomas R. Tough, P.Eng.</b> <i>President &amp; CEO</i>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Larry Tsang, CA</b> <i>CFO</i>	N/A	N/A	N/A	N/A	N/A	N/A
<b>John Morita, CMA</b> <i>CFO</i>	N/A	N/A	N/A	N/A	N/A	N/A

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

Name	Option-based awards – value vested or earned during the year \$	Share-based awards – value vested during the year \$	Non-equity incentive plan compensation – value earned during the year (\$)
<b>Thomas R. Tough, P.Eng.</b> <i>President &amp; CEO</i>	N/A	N/A	N/A
<b>Larry Tsang, CA</b> <i>CFO</i>	N/A	N/A	N/A
<b>John Morita, CMA</b> <i>CFO</i>	N/A	N/A	N/A

### ***PENSION PLAN BENEFITS***

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

### ***TERMINATION AND CHANGE OF CONTROL BENEFITS***

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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.

### ***COMPENSATION OF DIRECTORS***

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Non-management directors of the Company may receive fees in the form of an annual retainer fee of \$3,000 for their services as directors of the Company. In addition, directors may be paid an honorarium of \$400 per meeting attended in person and \$200 per meeting attended by teleconference. The directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may receive cash bonuses 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 over 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.

#### ***Director Compensation Table***

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 July 31, 2011.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based Awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
<b>Peter Hawley</b> <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Sonny Janda</b> <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Ayub Khan</b> <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Brian Thurston<sup>1</sup></b> <i>Director</i>	Nil	Nil	Nil	Nil	Nil	Nil	Nil

*Share-Based Awards, Option-Based Awards, and Non-Equity Incentive Plan Compensation*

The following table sets forth particulars of all option-based and share-based awards outstanding for each director, who was not a Named Executive Officer, at July 31, 2011:

Name	Option-based awards – value vested or earned during the year \$	Share-based awards – value vested during the year \$	Non-equity incentive plan compensation – value earned during the year (\$)
<b>Peter Hawley</b> <i>Director</i>	N/A	N/A	N/A
<b>Sonny Janda</b> <i>Director</i>	N/A	N/A	N/A
<b>Ayub Khan</b> <i>Director</i>	N/A	N/A	N/A
<b>Brian Thurston<sup>1</sup></b> <i>Director</i>	N/A	N/A	N/A

<sup>1</sup> Mr. Thurston resigned as a director on February 9, 2012

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price \$	Option expiration date	Value of unexercised in-the-money options \$	Number of shares or units of shares that have not vested	Market payout value of share-based awards that have not vested \$
<b>Peter Hawley</b> <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Sonny Janda</b> <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Ayub Khan</b> <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A
<b>Brian Thurston</b> <i>Director</i>	N/A	N/A	N/A	N/A	N/A	N/A

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

The Company has in place a stock option plan (the “Stock Option Plan”) which was most recently approved by the shareholders in 2006. 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 will be issued pursuant to option agreements to directors, officers, employees or consultants of the Company or a subsidiary of the Company. All options expire on a date not later than five years after the issuance of such option. Management will be proposing approval of an amendment to the Plan to shareholders at the Meeting, as described under APPROVAL OF STOCK OPTION PLAN.

The following information is as of July 31, 2011, the Company’s most recently completed financial year.



Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders <sup>1</sup>	Nil	N/A	6,116,000
Equity Compensation plans not approved by securityholders	N/A	N/A	N/A
Total:	Nil		

### ***PART 6 – AUDIT COMMITTEE***

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

#### *The Audit Committee Charter*

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Exhibit “B” to this Information Circular.

#### *Composition of Audit Committee*

The Company’s audit committee is comprised of three directors, Thomas Tough, Sonny Janda and Peter Hawley of whom Mr. Hawley and Mr. Janda are considered “independent” as that term is defined in applicable securities legislation. As former Chief Executive Officer, Mr. Tough 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”.

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<sup>1</sup> The Company has a 20% fixed stock option plan. See **Error! Reference source not found.** for further information.

### *Relevant Education and Experience*

All of the audit Committee members are business persons 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.

In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Company. See PART 7 – CORPORATE GOVERNANCE.

### *Audit Committee Oversight*

Since the commencement of the Company's most recently completed financial year ended July 31, 2011, 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*

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

### *Pre-Approval Policies and Procedures*

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "Article 2 – Pre-Approval of Non-Audit Services" of the Audit Committee Charter set out in 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:

Financial Year Ending	Audit / Audit Related Fees	Tax Fees	All Other Fees
July 31, 2011	\$24,500	\$1,800	Nil
July 31, 2010	\$21,500	\$1,750	Nil

### *Exemption*

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

### **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.

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. As a “venture issuer” the Company is required to make these disclosures with reference to the requirements of Form 58-101F2, this disclosure is provided below.

### **BOARD OF DIRECTORS**

#### ***Structure and Composition***

The Board is currently composed of five directors. All of the proposed nominees for election as directors at the 2012 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. The Company has determined independence as follows:

Name	Independent	Determination of Independence
<b>Thomas R. Tough</b>	No	Mr. Tough is the non-executive chairman of the board of directors. However, until February 15, 2012 he was the Company's CEO which means that, under NI52-110, he is not independent as a result of having served as CEO within the past three years.
<b>Curt Huber</b>	No	Mr. Huber was appointed as President of the Company on February 15, 2012 and is therefore not independent.
<b>Ayub Khan</b>	No	Mr. Khan was appointed as Chief Executive Officer on February 15, 2012 and is therefore not independent.
<b>Sonny Janda</b>	Yes	Mr. Janda is a non-management director; he has received no compensation from the Company. He is therefore independent.
<b>Peter Hawley</b>	Yes	Mr. Hawley is a non-management director; he has received no compensation from the Company. He is therefore independent.

Following the Meeting, the Board will have two independent directors, and three “non-independent” directors. Although the Company will not have a majority of independent directors; the board believes that all the directors are sufficiently experienced and knowledgeable with respect to their fiduciary duty and that this, coupled with the Board’s key committees, including the compensation and the nominating committees, will allow the Board to exercise independent oversight over management and allow it to make decisions that are in the best interest of the Company.

***Mandate of the Board***

The Board has adopted a formal written mandate, a copy of which is available on request (the “Mandate”). Under the Mandate, the Board is expected 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 (see DIRECTORS below). 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.

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 President, 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.

The positions of President and Chief Executive Officer are separate to allow each role to be filled and executed to its best advantage. By separating the roles of President and Chief Executive Officer, the Company is able to define and assign responsibilities to each position and to seek individuals to fill these roles with the appropriate skills and competencies. Furthermore, this arrangement helps to balance the independent versus non-independent directors and management of the Company when making decisions. 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 provides 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. As of the year ended July 31, 2011, the independent directors have not exercised their right to meet independently of management, and given the Company's limited operations at the current time, the decisions required of the board have been considered routine and in the ordinary course of business, the independent directors have not deemed it necessary to review such materials separate and apart from management.

### ***Directorships***

Please refer to the table included under Nominees for Election for a complete list of the directorships of each of our directors.

### ***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.

In February 2012, the Board adopted a formal written Code of Business Conduct and Ethics, a copy of which is available on request (the “Code”), with the intention that this Code will establish high ethical standards and guide the principles of conduct to be followed by Maxtech’s officers, directors and contractors. The full text of the Code is provided to all directors, officers and employees and each is expected to renew their acceptance and compliance with the Code annually.

The Code provides that directors, officers and employees are expected to communicate with appropriate personnel about any concerns that may arise regarding illegal or unethical behaviour and when in doubt about the best course of action in a particular situation. Any retaliation for reports made in good faith is itself a violation of the Code.

The Board has also implemented a Whistleblower Policy to provide a confidential complaint procedure so that any employee with a concern about any accounting or auditing matter or any other matter which an employee believes is in violation of the Code, can report the concern to the General Counsel of Maxtech. The General Counsel will report all such concerns and complaints to the Chair of the Audit Committee.

The Mandate and the Code each contain provisions relating to addressing actual or potential conflicts of interest. Generally, any director or officer is required to disclose any actual or potential conflict of interest and, if applicable, refrain from voting in respect of such matter.

#### ***Orientation, Continuing Education***

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.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, experience in running and managing public companies. Board members are encouraged to communicate with management, auditors, and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management’s assistance. Board members have full access to the Company’s records. Please refer to the table under the heading Election of Directors in Part 3 – The Business of the Meeting for a description of the current principal occupations of the Company’s Board.

#### ***Compensation Committee***

The Board has adopted a mandate for a Compensation Committee to be appointed following the Meeting. Until now, these functions have been performed by the Board as a whole. The Compensation Committee will be comprised of directors who will oversee the process of appointment and termination of senior executive officers, and make recommendations to the Board regarding executive compensation (including long-term incentive in the form of stock options) to be paid to the Company’s senior executive officers having regard to the responsibilities and risks associated with each position. If a management director is a member of

this committee, he or she is required to abstain from voting in respect of his or her own compensation.

The Company's executive compensation program focuses primarily on rewarding the efforts of its executives in increasing shareholder value and meeting the Company's goals. The Board reviews on an annual basis 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, and the value of similar incentive awards to executive officers at comparable companies, and the awards given to executive officers in past years.

The Compensation Committee will review the adequacy and form of the compensation and benefits of the directors of the Company on an annual basis to ensure that such compensation realistically reflects the responsibilities and risks involved in being an effective director. See Part 4 – Executive Compensation above for details of the compensation paid to the Company's Named Executive Officers.

The board of directors also adopted certain standard fees to be paid to the Company's non-management directors for their services, in addition to the granting of incentive stock options from time to time. See Part 4 – Executive Compensation- Compensation of Directors above.

#### ***Corporate Governance and Nominating Committee***

The Corporate Governance and Nominating Committee assists the Board by developing the Company's governance approach.

In the area of Board nominations, the committee takes the lead on identifying and proposing candidates for vacancies on the Board. While any member of the Board may suggest nominees, it is the role of the committee to engage in the process of reviewing all possible candidates and to assess whether the skills of any such nominees will meet the current needs of the Board and in this way the committee will build a balanced board. The committee is responsible for new director orientation and for assessing and reviewing the effectiveness of the Board.

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

The audit committee is comprised of Sonny Janda (Chair), Thomas Tough and Peter Hawley; it is ultimately responsible for the policies and practices relating to the integrity of financial and regulatory reporting of the Company, as well as internal controls to achieve the objectives of safeguarding the Company's assets; reliability of information; and compliance with policies and laws. For further information regarding the mandate of the Company's audit committee, its specific authority, duties and responsibilities, as well as the Audit Committee Charter, see Part 6 – Audit Committee in this Information Circular.

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. As a “venture issuer” the Company is required to make these disclosures with reference to the requirements of Form 58-101F2, this disclosure is provided below.

## ***PART 8 – OTHER INFORMATION***

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

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Since the beginning of the most recently completed financial year ended July 31, 2011 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 July 31, 2011, 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***

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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 ON AT THE MEETING***

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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***

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The management functions of the Company are performed by its directors and executive officers and the Company has no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Company. See PART 4 – EXECUTIVE COMPENSATION for details of the fees paid to the Company's Named Executive Officers.

#### ***OTHER MATTERS***

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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***

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

#### ***ADDITIONAL INFORMATION***

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Financial information about the Company is provided in its comparative financial statements and Management's Discussion and Analysis for the year ended July 31, 2011. You may obtain copies of these documents without charge upon request to us at 1250 West Hastings Street, Vancouver, BC, Canada V6E 2M4, telephone (604) 685-2542, or facsimile (604) 408-9301. You may also access these documents, together with the Company's additional disclosure documents, through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

#### ***BOARD APPROVAL***

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The Board of Directors of the Company has approved the contents and the delivery of the Information Circular to its shareholders.

DATED at Vancouver, British Columbia, this 29<sup>th</sup> day of February 2012

**BY ORDER OF THE BOARD OF DIRECTORS**

**CHANGE OF AUDITOR**

**MAXTECH VENTURES INC.**

(the "Company")

**NOTICE OF CHANGE OF AUDITOR  
PURSUANT TO NATIONAL INSTRUMENT 51-102**

NOTICE IS HEREBY GIVEN that effective February 29, 2012 DeVisser Gray LLP, resigned as auditors of the Company. The Company has appointed Dale Matheson Carr-Hilton Labonte LLP, Chartered Accountants ("DMCL") as auditors of the Company to hold office until the next annual meeting of the Company.

There have been no reservations in the auditor's reports for the most recently completed fiscal year ended July 31, 2011 nor have there been any reportable events.

The resignation of DeVisser Gray LLP as auditors and the appointment of DMCL in their place has been approved by the board of directors of the Company.

Dated as of the 29<sup>th</sup> day of February, 2012

Maxtech Ventures Inc.

**(signed) "Curt Huber"**

Curt Huber  
President



**DALE MATHESON CARR-HILTON LABONTE LLP**  
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS

**VANCOUVER**  
1500 – 1140 W. Pender Street  
Vancouver, BC V6E 4G1  
TEL 604.687.4747

**TRI-CITIES**  
700 – 2755 Lougheed Hwy.  
Port Coquitlam, BC V3B 5Y9  
TEL 604.941.8266

**WHITE ROCK**  
301 – 1656 Martin Drive  
White Rock, BC V4A 6E7  
TEL 604.531.1154

[WWW.DMCL.CA](http://WWW.DMCL.CA)

March 2, 2012

**British Columbia Securities Commission**

PO Box 10142, Pacific Centre  
9th Floor, 701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

**Alberta Securities Commission**

4<sup>th</sup> Floor, 300 – 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 3C4

Dear Sirs:

**Re: Maxtech Ventures Inc.**  
**Notice Pursuant to National Instrument 51-102 - Change of Auditor**

As required by the National Instrument 51-102 and in connection with our proposed engagement as auditor of the Company, we have reviewed the information contained in the Company's Notice of Change of Auditor, dated February 29, 2012, and agree with the information contained therein, based upon our knowledge of the information relating to the said notice and of the Company at this time.

Yours very truly,

**DALE MATHESON CARR-HILTON LABONTE LLP**  
**CHARTERED ACCOUNTANTS**

cc: TSX Venture Exchange

**PARTNERSHIP OF:**

**VANCOUVER** Robert J. Burkart, Inc. James F. Carr-Hilton Ltd. Kenneth P. Chong Inc. Alvin F. Dale Ltd. David J. Goertz, Inc. Barry S. Hartley, Inc. Reginald J. LaBonte Ltd. Robert J. Matheson, Inc. Rakesh I. Patel Inc. EM.Yada FCA Inc. **WHITE ROCK** Michael K. Braun Inc. Peter J. Donaldson, Inc. **TRI-CITIES** G.D. Lee Inc. Fraser G. Ross, Ltd. Brian A. Shaw Inc.

March 2, 2012

Alberta Securities Commission  
British Columbia Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

**Re: Maxtech Ventures Inc. (the "Company")**  
**- Notice of Change of Auditor**

This letter is being delivered to you pursuant to National Instrument 51-102 of the Canadian Securities Administrators ("NI 51-102") in connection with our resignation from the office of auditor of the Company effective February 29, 2012.

As required by NI 51-102, we have reviewed the information contained in the Notice of Change of Auditor (the "Notice") prepared by the Company. Based upon our knowledge as at the date hereof, we hereby confirm that we are in agreement with the statements contained in the Notice that relate to us and that we have no basis to agree or disagree with the statements contained in the Notice that relate to DeVisser Gray LLP.

Yours truly,

**DeVisser Gray LLP**

Per:



\_\_\_\_\_  
*Authorized Signatory*

**MAXTECH VENTURES INC.**

**CHARTER FOR THE AUDIT COMMITTEE  
OF THE BOARD OF DIRECTORS**

**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 complains 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.