

ST-GEORGES

Platinum & Base Metals Ltd.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT PROXY CIRCULAR OF
ST-GEORGES PLATINUM AND BASE METALS LTD.

September 18, 2012

630 Sherbrooke West, Suite 410, Montréal, Québec H3A 1E4

ST-GEORGES PLATINUM AND BASE METALS LTD.

630 Sherbrooke West, Suite 410

Montréal, Québec H3A 1E4

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

To the shareholders of St-Georges Platinum and Base Metals Ltd.:

NOTICE IS HEREBY GIVEN THAT the annual and special meeting of the shareholders (the “**Meeting**”) of St-Georges Platinum and Base Metals Ltd. (the “**Corporation**”) will be held at the Cambridge Club, located at Sheraton Centre, 11th Floor, 100 Richmond St. West, Toronto, Province of Ontario, M5H 3K6, at 5PM, Eastern Standard Time on October 16, 2012, for the following purposes:

1. to receive the consolidated financial statements of the Corporation for the financial year ended December 31, 2011 and the auditors’ report thereon;
2. to elect the directors of the Corporation;
3. to appoint Guimond Lavallée Inc., Chartered Accountants, as auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix its remuneration;
4. to consider and, if thought appropriate, pass, with or without variation, a resolution approving the Corporation’s rolling stock option plan, as more fully described in the accompanying management information circular;
5. to consider, and if thought appropriate, pass, whether with or without variation, a special resolution approving the consolidation of the common shares in the capital of the Corporation by a ratio between the range of 2:1 and 10:1, as more fully described in the accompanying management information circular
6. to transact such other business as may properly be brought before the Meeting.

Information relating to the matters to be dealt with at the Meeting is set forth in the Management Proxy Circular which accompanies this Notice of Meeting.

DATED this 18th day of September, 2012

BY ORDER OF THE BOARD OF DIRECTORS

(s) Frank Dumas

François (Frank) Dumas

Chairman, President and CEO

IMPORTANT

Only holders of common shares of the Corporation of record at the close of business on August 22, 2012 are entitled to receive notice of the Meeting and only those holders of the common shares of the Corporation of record at the close of business on August 22, 2012, or who subsequently become shareholders and comply with the provisions of the *Canada Business Corporations Act*, are entitled to vote at the Meeting.

It is important that your common shares of the Corporation are represented at the Meeting. Shareholders may exercise rights by attending the Meeting or by completing a form of proxy. If you are unable to attend the Meeting in person, please complete, date and sign the enclosed form of proxy and return it in the envelope provided for that purpose. Proxies, to be valid, must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Proxy dept., Toronto, Province of Ontario, M5J 2Y1, no later than 5:00 pm, Eastern Daylight Time, on October 12, 2012. **Your common shares will be voted in accordance with your instructions as indicated on the form of proxy or, if no instructions are given on the form of proxy, the proxy holder will vote “FOR” each of the matters indicated in paragraphs 1 to 5 hereinabove.**

ST-GEORGES PLATINUM AND BASE METALS LTD.

MANAGEMENT PROXY CIRCULAR

This Management Proxy Circular (the “**Circular**”) is provided in connection with the solicitation of proxies for use at the annual and special meeting of the shareholders of St-Georges Platinum and Base Metals Ltd. (the “**Corporation**” or “St-Georges”) to be held on October 16, 2012, at the time and place and for the purposes stated in the Notice of Meeting and at any adjournment thereof (the “**Meeting**”). Unless otherwise indicated, the information contained in this Circular is given as of September 18, 2012.

SOLICITATION OF PROXIES

The enclosed proxy is being solicited by the Management of the Corporation and the expenses of this solicitation will be borne by the Corporation. The solicitation will be conducted primarily by mail but proxies may also be solicited personally by officers, employees or agents of the Corporation, but without additional compensation. The Corporation shall, upon request, reimburse brokers and other persons holding common shares on their behalf or on behalf of nominees, for reasonable costs incurred in sending the proxy documents to shareholders.

APPOINTMENT OF PROXYHOLDERS

The persons designated in the enclosed form of proxy are directors or officers of the Corporation. Each shareholder is entitled to appoint a person, who need not be a shareholder, other than the persons designated in the enclosed form of proxy, to represent him at the Meeting. Such right may be exercised by inserting in the blank space provided, the name of the person to be designated and deleting there from the names of the management designees or by completing another proper instrument of proxy and, in either case, depositing the instrument of proxy with the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., located at 100 University Avenue, 9th Floor, Proxy dept., Toronto, Province of Ontario, M5J 2Y1, at any time, before 5:00 pm, Eastern Daylight Time, on October 12, 2012.

REVOCAION OF PROXIES

A shareholder giving a proxy may revoke it by instrument in writing signed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a legal person, by instrument in writing signed by a duly authorized officer, given to the Secretary of the Corporation at 630 Sherbrooke West, Suite 410, Montréal, Province of Québec, H3A 1E4, no later than the close of business on the last business day preceding the day of the Meeting or any adjournment thereof, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof.

EXERCISE OF VOTING RIGHTS BY PROXIES

The persons named as proxies will vote or withhold from voting the common shares in respect of which they are appointed or vote for or against any particular question, in accordance with the instructions of the shareholder appointing them. **In the absence of such instructions, the shares will be voted IN FAVOUR of all matters identified in the attached Notice of Meeting.** The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and to other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any amendments or other matters not known to Management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such amendments or matters in accordance with their best judgment.

Unless otherwise indicated, the resolutions submitted to a vote at the Meeting must be passed by a majority of the votes cast by the holders of common shares present at the Meeting in person or by proxy and voting in respect of all resolutions to be voted on by the shareholders of the Corporation.

NOTICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Management Proxy Circular as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of common shares can be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those common shares will not be registered in the shareholder's name on the records of the Corporation. Such common shares will likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the nominee of The Canadian Depository for Securities Limited, which acts as depository for many Canadian brokerage firms). Common shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting common shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person.**

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by his/her broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Services ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge or to call their toll free telephone number to vote their shares or access their web site www.proxyvotecanada.com to deliver voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting. **A Beneficial Shareholder receiving a proxy with Broadridge sticker on it cannot use that proxy to vote common shares directly at the Meeting. The proxy must be returned to Broadridge in advance of the Meeting in order to have their shares voted at such meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting the common shares registered in the name of his or her broker (or an agent of the broker), a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of such Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any of the following persons in any matter to be acted upon at the Meeting:

- (i) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
- (ii) each proposed nominee for election as a director of the Corporation; and
- (iii) each associate or affiliate of any of the foregoing.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of September 18, 2012, 103,562,074 common shares of the Corporation are issued and outstanding, being the only class of shares entitled to be voted at the Meeting. Each holder of common shares of the Corporation is entitled to one vote for each common share registered in his or her name at the close of business on August 22, 2012 being the date fixed by the board of directors of the Corporation (the “**Board**” or the “**Board of Directors**”) for the purpose of determining registered shareholders entitled to receive the accompanying Notice of Meeting and vote (the “**Record Date**”). A list of shareholders entitled to vote as of the Record Date, showing the number of common shares held by each shareholder, shall be prepared within ten (10) days of the Record Date. This list of shareholders will be available for inspection during normal business hours at the office of Computershare Investor Services Inc., the Corporation's registrar and transfer agent, located at 100 University Avenue, 9th Floor, Proxy Dept., Toronto, Province of Ontario, M5J 2Y1, and at the Meeting. Assignees of common shares acquired after the Record Date are authorized to exercise the voting rights attached to such common shares at the Meeting or at any adjournment thereof provided they produce duly endorsed certificates representing such common shares or prove their title to such common shares in another manner and request, at least ten (10) days prior to the date of the Meeting, that their names be included on the list of shareholders entitled to receive the Notice of Meeting, as such list is compiled on the Record Date.

To the knowledge of the Management of the Corporation, as at September 18, 2012, the following shareholders were the only shareholders holding, as beneficial owners, directly or indirectly, or as registered holders, over ten percent (10%) of the issued and outstanding common shares of the Corporation.

Name and Municipality of Residence	Number of Common Shares	Percentage of Common Shares
St. Georges Minerals, Inc. Montréal, Québec, Canada	29,475,100	28.46%
MineralFields Group Toronto, Ontario, Canada	20,660,484	19.95%
François Dumas Montreal, Québec, Canada	13,207,000	12.75%

As at the date hereof, the directors were, as a group, the beneficial owners of, directly or indirectly, 16,057,000 common shares representing 15.5% of the currently issued and outstanding common shares of the Corporation.

QUORUM

Under By-Law One of the Corporation, quorum is obtained at a meeting of the shareholders of the Corporation when shareholders holding at least ten percent (10%) of the votes attached to issued and outstanding common shares of the Corporation at this point in time is or are present at such meeting or represented by proxy.

BUSINESS TO BE TRANSACTED AT THE MEETING

PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Corporation for the financial year ended December 31, 2011 and the auditors' report thereon are attached to this Circular and will be presented to the shareholders at the Meeting, but no vote with respect thereto is required or proposed to be taken.

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of three (3) and a maximum of twelve (12) directors, as determined from time to time by the Board. The Board of Directors presently

consists of five (5) directors, all of whom are elected annually. Actual directors will remain in office until the close of any shareholders meeting appointing their successors. Each of the nominees named hereunder has advised the management of the Corporation that he or she will be willing to serve as a director if elected.

Each nominee elected as a director will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless he ceases to hold office pursuant to the *Canada Business Corporations Act* or his office is earlier vacated pursuant to the by-laws of the Corporation.

The following table and the notes thereto state: i) the names of all persons proposed to be nominated for election as directors, ii) which are currently directors of the Corporation and have been for the periods indicated, iii) all other positions and offices with the Corporation now held by them, iv) their principal occupations or employments, v) their periods of service as directors of the Corporation and vi) the number of common shares of the Corporation beneficially owned or over which control or direction is exercised by each of them as at September 18, 2012:

Name of proposed director and municipality of residence	Title within the Corporation	Director since	Principal occupation and Positions during the last 5 years	Number and percentage of common shares owned or controller⁽¹⁾
François (Frank) Dumas Montréal, Québec	President, CEO and Chairman of the Board of Directors	December 2009	President of Dumasbancorp, a corporate finance consultancy firm	13,207,000 (12.75%)
Mark Billings ⁽²⁾⁽³⁾ Montréal, Québec	CFO, Corporate Secretary and Director	December 2009	CFO and Director of Argex Mining Inc. and President and CEO of Orex Exploration Inc., both mining exploration companies	2,475,000 (2.39%)
Guy Simard Baie Comeau, Québec	Proposed Director	-	Chairman of the Manicouagan Regional Health Center	350,000 (0.324%)
Linda Thorstad ⁽²⁾ Vancouver, British Columbia	Director	October 2010	Consultant in the mining industry	75,000 (0.07%)
David Grand ⁽²⁾⁽³⁾ Toronto, Ontario	Director	October 2010	National Sales Manager of an Investment house	275,000 (0.27%)

Notes:

- (1) The information as to the number of common shares beneficially owned or over which control is exercised, not being within the knowledge of the Corporation, has been provided by each director individually, as of September 18, 2012.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.

Biographical notes on Guy Simard, Proposed Director

Mr. Simard has more than fifteen years as CEO and director of industrial development for organizations in the areas of economic and regional development in Quebec. He has assisted many entrepreneurs and small and medium enterprises in the realization of investment projects and technical feasibility studies and business. Mr. Simard is an officer on numerous boards of directors of public and private companies. He is currently chairman and chairman of the audit committee for the center of health and social services Manicouagan, an organization of 1000 employees and

has an operating budget of \$70 million for the waiver health service for a population of over 50,000 people. His extensive knowledge of business management, governance of public and private companies and its network of established contacts in government circles is a valued contribution to the management team. Mr. Simard holds a Bachelor of Business Administration and a Certificate in Applied Studies in Urban Planning from the University of Quebec at Montreal and completed his master's degree in management of small and medium enterprises and their environment at the University of Quebec at Trois-Rivieres.

To the knowledge of the Corporation and based upon information provided to it by the nominees for election to the Board of Directors, none of the proposed directors is, as at the date of this Circular, or has been, within ten (10) years before the date of the Circular, a director or executive officer of any company, while that person was acting in that capacity:

- (i) 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 thirty (30) consecutive days;
- (ii) subject to an event that resulted, after the director or executive officer ceased to be a 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 of more than thirty (30) consecutive days; and
- (iii) or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver manager or trustee appointed to hold its assets,

with the exception of Mr. David Grand, Mr. Frank Dumas and Mr. Mark Billing, in their role as officer and director of Litewave Corp. (“**Litewave**”), who was cease traded by the British Columbia Securities Commission on May 25, 2010 for failure to file its continuous disclosure documents with securities regulatory authorities (the “**Order**”). Litewave remains subject to this Order as of the date hereof.

In addition, none of the proposed directors has, within ten (10) years before the date of this 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 such proposed director.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR SUCH RESOLUTION. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS OR HER PROXY THAT HIS OR HER COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth detailed information on the compensation of the President and Chief Executive Officer, the Chief Financial Officer and each of the Corporation's other most highly compensated executive officers (collectively, the “Named Executive Officers” or “NEOs”) as prescribed by *Regulation 51-102*, for services rendered in all capacities during the financial year ended December 31, 2011 and prior year.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans	Long-term incentive plans			
François (Frank) Dumas CEO and President	2011	84,000	-	-	-	-	-	-	84,000
	2010	-	-	49,950 ⁽¹⁾	-	-	-	50,000 ⁽²⁾	99,950
Mark Billings ⁽³⁾ CFO	2011	60,000	-	-	-	-	-	-	60,000
	2010	-	-	49,950 ⁽¹⁾	-	-	-	50,000 ⁽²⁾	99,950

Notes:

- (1) Option based awards values are calculated at their fair market value as of the date of grant, based on the Black-Scholes valuation model, which model is used by the Corporation as it is widely recognized and accepted under IFRS.
- (2) Other compensation represents bonus paid by the Corporation to the Named Executive Officers.
- (3) Salary amounts were paid to Gestion Marengo Management Inc., a company controlled by Mark Billings.

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides the analysis made by the Board of compensation paid to the NEOs in the preceding table.

The Board has delegated responsibility to the Compensation Committee to review and make recommendations regarding overall approach to compensation and the specific compensation of the NEOs. Due to its size and its early stage of development, the Corporation is not able to apply consistent compensation policies through its organization. Each NEOs' compensation being established after independent negotiations with a member of the Compensation, Committee prior to approval by the Board.

Compensation Program Objectives

The Compensation Committee meets to discuss and determine management compensation without reference to formal criteria. The general objective of the Corporation's compensation is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value, (ii) align management's interests with the long-term interests of shareholders, (iii) provide a compensation package that is commensurate with other junior mining exploration companies in order to enable the Corporation to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a junior mining exploration company without a history of earnings.

Purpose of the Compensation Program

The Compensation Committee, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term positive results for the Corporation's shareholders;
- align executive compensation with corporate performance; and
- provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

The Compensation Committee also relies on the experience of its members in assessing compensation levels.

Elements of Compensation Program

The executive compensation program consists of a combination of base salary and/or compensation, performance bonuses and stock option incentives. However, at the moment no base salary is being paid to the NEOs.

Purpose of Each Element of the Executive Compensation Program

The base salary and/or compensation of an NEO are intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

In addition to a fixed base salary and/or compensation, each NEO is eligible to receive a performance based bonus meant to motivate the NEO to achieve short-term goals. Awards under this plan are made by way of cash payments only, which payment are made at the end of the fiscal year.

Stock options are generally awarded to NEOs on an annual basis based on performance. The granting of stock options upon hire aligns NEOs' rewards with an increase in shareholder value over the long term.

The use of stock options encourages and rewards performance by aligning an increase in each NEO's compensation with increases in the Corporation's performance and in the value of the shareholders' investments.

Determination of the Amount of Each Element of the Executive Compensation Program

Intervention of the Board of Directors

The base salary and/or compensation and the performance bonus of the NEOs' of the Corporation, other than the President and CEO, are reviewed annually by the Compensation Committee, who makes recommendations to the Board. The Board reviews the recommendations of the Compensation Committee and approves the base salary and/or the compensation and the performance bonus of the NEOs based on the recommendations of the Compensation Committee. The base salary and/or compensation and the performance bonus for the President and CEO are reviewed annually by the Compensation Committee.

Base Salary and/or Compensation

The base salary and/or compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base salary and/or the compensation are not evaluated against a formal "peer group". The Compensation Committee relies on the general experience of its members in setting base salary and/or compensation amounts.

Performance Bonuses

The Compensation Committee oversees the operation of the Corporation's bonus plan by evaluating and approving the targets and the objectives to be met by the NEO and the amount of bonus payable at specific levels of attainment of those targets and objectives. The bonus for each individual NEO varies dependent upon the position and the factors considered in assessing the bonus amounts include, but are not limited to, expense control and attainment of specific strategic business goals.

Stock Options

The Corporation has established a formal plan (the "**Stock Option Plan**") under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Stock Option Plan, determines the number of options granted to such individuals, determines the date on which each

option is granted and the corresponding exercise price. For further information regarding the Stock Option Plan refer to “*Securities Authorized for Issuance Under Equity Compensation Plans*”.

The Board makes these determinations subject to the provisions of the existing Stock Option Plan and, where applicable, the policies of the CNSX.

Link to Overall Compensation Objectives

Each element of the executive compensation program has been designed to meet one or more objectives of the overall program.

The fixed base salary and/or compensation of each NEO, combined with performance bonuses and the granting of stock options, has been designed to provide total compensation which the Board believes is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Incentive Plan Awards - Outstanding Share-Based Award and Option Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the NEOs of the Corporation:

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 ⁽¹⁾ (\$)	Number of Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
François (Frank) Dumas	750,000	\$0.15	October 20, 2015	Nil	-	-
Mark Billings	750,000	\$0.15	October 20, 2015	Nil	-	-

Note:

(1) The value of unexercised in-the-money options at financial year-end is based on the difference between the market value of the stock at December 31, 2011 of \$0.09 and the exercise price of the option.

Incentive Plan Awards – Value Vested or Earned During the Year

No incentive plan awards were vested for or earned by the Named Executive Officer during the year ended December 31, 2011.

Pension Plan Benefits

The Corporation does not have a defined benefits pension plan or a defined contribution pension plan.

Termination and Change of Control Benefits

As of December 31, 2011, the Corporation did not have any agreements in effect that involved a NEO providing for payments in the event of a termination or a change of control.

Director Compensation

Directors' Compensation Table

During the financial year ended on December 31, 2011, the following directors of the Corporation received the compensation amounts indicated in the following table:

Director	Fees earned (\$)	Share-based Awards (\$)	Option-based Awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	Other Compensation (\$)	Total (\$)
Anthony Garson	-	-	-	-	-	-	-
Linda Thorstad	-	-	-	-	-	-	-
David Grand	-	-	-	-	-	-	-

Notes:

- (1) Option based awards values are calculated at their fair market value as of the date of grant, based on the Black-Scholes valuation model, which model is used by the Corporation as it is widely recognized and accepted under IFRS.

In 2011, the Board of Directors, the Audit Committee and the Compensation Committee respectively held four, four and two meetings.

Incentive Plan Awards - Outstanding Share-Based Award and Option Based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the most recently completed financial year to the directors of the Corporation:

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 ⁽¹⁾ (\$)	Number of Shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Anthony Garson	750,000	\$0.15	October 20, 2015	Nil	-	-
Linda Thorstad	500,000	\$0.15	October 20, 2015	Nil	-	-
David Grand	500,000	\$0.15	October 20, 2015	Nil	-	-

Note:

- (1) The value of unexercised in-the-money options at financial year-end is based on the difference between the market value of the stock at December 31, 2011 of \$0.09 and the exercise price of the option.

Incentive Plan Awards – Value Vested or Earned During the Year

No incentive plan awards were vested for or earned by the Director during the year ended December 31, 2011.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out certain details as at December 31, 2011, the end of the Corporation's financial year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (\$) (b)	Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	4,050,000	0.15	6,306,207
Equity compensation plans not approved by security holders	-	-	-

STOCK OPTION PLAN

The Stock Option Plan for the directors, officers, employees and consultants of the Corporation was adopted in accordance with the policies of the Canadian National Stock Exchange ("CNSX") which provide that the Board of Directors may, from time to time, in its discretion and in accordance with the CNSX's requirements, grant to directors, officers, employees and consultants of the Corporation, non-transferable options to purchase common shares of the Corporation, exercisable for a period of up to five (5) years from the date of grant, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Corporation. The number of common shares reserved for issuance to any individual director, officer or employee of the Corporation will not exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all consultants, if any, will not exceed two percent (2%) of the issued and outstanding common shares in any given year.

Except as stated otherwise upon the grant of options, options may be exercised no later than 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the option may be exercised with a maximum period of one year after such death, subject to the expiry date of such option.

The subscription price of the common shares which may be issued under the Stock Option Plan must not be lower than the closing price of the last regular board lot (not less than \$0.10) sold on the CNSX on the trading day immediately preceding the date of grant. The option price is payable in full at the time the option is exercised. The vesting periods in respect of the options are determined by the Board of Directors at the time of each grant of options.

During the fiscal year ended December 31, 2011, no options to acquire Common Shares were granted by Corporation under the Stock Option Plan.

In accordance with the CNSX policies, the Stock Option Plan is subject to approval by shareholders at each annual meeting, whether or not amended in the meantime. As of this date, a maximum of 10,356,207 common shares could be issued under the Stock Option Plan, subject to shareholders' approval.

Accordingly, shareholders will be asked to consider and, if thought appropriate, pass a resolution approving the Stock Option Plan. The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“WHEREAS the policies of the Canadian National Stock Exchange require annual shareholder approval for the continuation of the rolling stock option plan of the Corporation (the “Plan”);

RESOLVED THAT:

- 1 the Plan is hereby authorized and approved; and
- 2 any one director or officer of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to do all such things and to execute such documents, whether under the corporate seal of the Corporation or otherwise, that may be necessary to give effect to the foregoing resolution.”

The Board has unanimously approved the Plan and recommends that shareholders vote FOR the Plan. An affirmative vote of a majority of the votes cast at the Meeting is sufficient to pass the resolution approving the Plan.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF SUCH RESOLUTION.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

During the fiscal year ended December 31, 2011, and as at the date of this Information Circular, none of the executive officers, directors, employees (or previous executive officers, directors, or employees of the Corporation), each proposed nominee for election as a director of the Corporation (or any associate of an executive officer, director or proposed nominee) was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation does not maintain liability insurance for its directors and officers.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the Corporation's knowledge, no material transaction involving the Corporation has been entered into since the beginning of the last financial year of the Corporation, or are proposed to be entered into, in which any director or member of management of the Corporation, insider, or shareholder holding over 10% of the common shares of the Corporation, or any of their associates has had or expects to have a material interest.

APPOINTMENT OF AUDITORS

At the Meeting, the shareholders will be asked to approve a resolution to appoint the auditors of the Corporation until the close of the next annual meeting. The Board of Directors, upon advice of the Audit Committee, recommends that Guimond Lavallée, chartered accountants of Brossard, Province of Quebec be appointed as auditors of the Corporation.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF GUIMOND LAVALÉE INC., CHARTERED ACCOUNTANTS, AS AUDITOR OF THE CORPORATION AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION. AN AFFIRMATIVE VOTE OF A MAJORITY OF THE VOTES CAST AT THE MEETING IS SUFFICIENT FOR THE APPOINTMENT OF THE AUDITOR.

MANAGEMENT CONTRACTS

The management functions of the Corporation are substantially performed by directors or senior officers of the Corporation and not to any substantial degree by any other person with whom the Corporation has contracted.

CORPORATE GOVERNANCE PRACTICES

Statement of Corporate Governance practices

The disclosure with respect to corporate governance as prescribed by Form 58-101F2 (Corporate Governance Disclosure, Venture Issuers) of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) is set out at Schedule “A” of this Circular.

AUDIT COMMITTEE DISCLOSURE

Regulation 52-110 – *Audit Committees* (“**Regulation 52-110**”) of the Canadian securities regulatory authorities requires issuers to include the charter of their Audit Committee and disclose information with respect to the composition, education and experience of the members of their Audit Committee, as well as all fees paid to external auditors.

Audit Committee Charter

The charter of the Audit Committee is set out at Schedule “C” to this Circular.

Composition of the Audit Committee and Relevant Education and Experience

The current members of the Audit Committee are Mr. Mark Billings, Mrs. Linda Thorstad and Mr. David Grand, all of whom, with the exception of Mr. Billings, are external directors of the Corporation. All of these members have prior financial experience in a management capacity and are independent with respect to the terms of Regulation 52-110, to the exception of Mr. Billings.

Mr. Billings is presently the President and CEO of Orex Exploration Inc (TSX-V: OX), a junior gold exploration company with properties in Nova Scotia, and a director and CFO of Litewave Corp (OTC:LTWV) and of Argex Mining Inc. (TSX-V: RGX). Prior to joining Orex Exploration, he served as Chief Financial Officer for private and public Internet companies from 2000 to 2006, as well as running his own financial consultancy firm, Marengo Management Inc. From 2004 to 2006, Mr. Billings was Vice-President of Corporate Finance with Desjardins Securities, where he led a number of public and private financings and took companies public on the Canadian exchanges. Mr Billings has an MBA from the Harvard Business School and a BA Political Science, from Carleton University. He is also a Chartered Financial Analyst (CFA).

Mrs. Thorstad holds a M.Sc. Earth Science, P.Geo. and has worked in the mining industry at various points in her career for over 30 years. Her mining industry experience includes being President and CEO of Questore Consultants, CEO of Oremex Resources Inc., President of Interaction Resources Ltd. and VP Corporate Relations for Viceroy Resource Corporation. Outside of the mining industry, Mrs. Thorstad has held numerous executive roles and directorships including President of the Association of Professional Engineers and Geoscientists of BC, VP Campaigns and Partnerships for Leading Edge British Columbia and Executive Director of the Vancouver Economic Development Commission.

Mr. Grand has been employed in the investment industry for over 25 years. He has held various positions, Investment Advisor, Branch Manager, National Sales Manager as well as being a member of the Executive team for tier two investment houses. During the past few years Mr. Grand has held senior management positions in both tier 1 and tier 2 firms. For the past 6 years he has been the National Sales Manager. Mr. Grand has been active in raising capital for a number of firms representing various areas of the economy, but his focus has been predominantly in the mining sector.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the Audit Committee has not made any recommendations to nominate or compensate an external auditor that were not adopted by the Board of Directors of the Corporation.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's financial year ended December 31, 2011 has the Corporation relied on the exemption provided under section 2.4 of Regulation 52-110 (*De minimis Nonaudit Services*) or an exemption from Regulation 52-110, in whole or in part, granted under Part 8 of Regulation 52-110 (*Exemptions*).

However, the Corporation is not required to comply with Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of Regulation 52-110 given that it is a venture issuer as defined in Regulation 52-110.

Report on Auditor's fees

In addition to performing the audit of the Corporation's consolidated financial statements for the year ended December 31, 2011 Guimond Lavallée Inc., Chartered Accountants, provided other services to the Corporation and billed the Corporation the following fees for the Corporation's years ended December 31, 2011 and December 31, 2010:

Fees	2010 (\$)	2011 (\$)
Audit Fees ⁽¹⁾	15,000	15,500
Audit Related Fees ⁽²⁾	-	-
Tax Fees ⁽³⁾	-	-
All other Fees ⁽⁴⁾	-	-
Total Fees	15,000	15,500

Notes:

- (1) Audit Fees consist of the aggregate fees billed for the annual audit of the Corporation's consolidated financial statements.
- (2) Audit-Related Fees consist of the aggregate fees billed for assurance and related services that are reasonably related to the review of the Corporation's quarterly consolidated financial statements, Attendance of audit committee meetings, consultations concerning financial accounting and reporting standards.
- (3) Tax Fees consist of the aggregate fees billed for tax compliance services, including the preparation of original and amended tax returns and claims, for refund; tax consultations, such as assistance and representation in connection with tax audits and appeals; tax planning services; and consultation and planning services.
- (4) All other Fees consist mainly of translation fees and the aggregate fees billed in the last fiscal year for products and services provided by the Corporation's external auditor, other than the services reported under clauses (1), (2) and (3) above.

PROPOSED CONSOLIDATION OF COMMON SHARES

Subject to CNSX approval, the Corporation proposes to consolidate the issued and outstanding common shares by a ratio between the range of 2:1 and 10:1 (the "**Share Consolidation**") with any resulting fraction being rounded either up or down to the next highest or lowest number of the whole consolidated common shares, as the case may be. If approved by shareholders, it is anticipated that the Share Consolidation would be completed on or immediately prior to the closing of the Proposed Transaction. Accordingly, shareholders will be asked at the Meeting to pass a special resolution authorizing the Share Consolidation.

Notwithstanding the foregoing, as indicated in the text of the special resolution below, the Board of Directors may, in its sole discretion, determine that the Corporation not proceed with the Share Consolidation.

The complete text of the resolution which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is as follows:

“RESOLVED AS A SPECIAL RESOLUTION THAT:

1. Subject to the acceptance by the TSX Venture Exchange, the Corporation is hereby authorized to consolidate the issued and outstanding common shares in the capital of the Corporation by a ratio to be determined by the directors between the range of 2:1 and 10:1. Any resulting fractional shares shall be either rounded up or down to the nearest whole common share.
2. Notwithstanding that this resolution has been passed by the shareholders, the directors of the Corporation are hereby authorized and empowered without further notice to, or approval of, the shareholders, to determine not to proceed with the Share Consolidation at any time prior to the filing of the articles of amendment giving effect to the Share Consolidation. The directors of the Corporation may, at their sole discretion, revoke this resolution before it is acted upon without further approval or authorization of the shareholders of the Corporation.
3. Upon articles of amendment having become effective in accordance with the *Canada Business Corporations Act*, the articles of the Corporation are amended accordingly.
4. Any one officer and director of the Corporation be and is hereby authorized for and on behalf of the Corporation to execute and deliver all such instruments and documents and to perform and do all such acts and things as may be deemed advisable in such individual’s discretion for the purpose of giving effect to this special resolution, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board has unanimously approved the Share Consolidation and recommends that shareholders vote FOR the Share Consolidation. To be effective, the special resolution approving the Share Consolidation must be approved by at least 66 2/3% of the votes cast in person or by proxy at the Meeting.

IT IS INTENDED THAT THE COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF SUCH RESOLUTION.

OTHER ISSUES TO BE CONSIDERED AT THE MEETING

The Management of the Corporation is not aware of any issue that must be submitted to the Meeting other than those indicated in the Notice and set out in this Circular. Each proxy given to a person in the enclosed form of proxy confers discretionary power with respect to the amendments to issues indicated in the Notice and other issues that may be duly addressed at the Meeting.

ADDITIONAL INFORMATION

The Corporation is a reporting issuer under the securities laws of Ontario, Alberta and British Columbia and is therefore required to file its consolidated financial statements, its MD&As and its management proxy circulars with the securities commissions of such provinces. Copies of the Corporation's latest audited consolidated financial statements and any interim consolidated financial statements filed since the date of the latest audited consolidated financial statements as well as MD&As, are available on request from the Corporate Secretary of the Corporation or by consulting the SEDAR Web site at www.sedar.com.

The financial information concerning the Corporation appears in the Corporation’s comparative consolidated financial statements and related Management Discussion and Analysis report for the financial year ended

December 31, 2011. Shareholders wishing to obtain a copy of the Corporation's consolidated financial statements and Management Discussion and Analysis report may do so in the following manner:

- By telephone: 514.295.9878
- By fax: 514.893-9208
- By email: ceo@st-georgesplatinum.com
- By mail: 630 Sherbrooke West, Suite 410
Montréal, Québec, H3A 1E4

APPROVAL OF MANAGEMENT PROXY CIRCULAR

The contents and transmission of this Management Proxy Circular have been approved by the Board of Directors of the Corporation.

Montreal, Quebec, September 18, 2012.

(s) Frank Dumas _____

François (Frank) Dumas
Chairman, President and CEO

SCHEDULE “A”

CORPORATE GOVERNANCE PRACTICES

Regulation 58-101 respecting Disclosure of Corporate Governance Practices and Policy Statement 58-201 respecting Corporate Governance Guidelines set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation’s required annual disclosure of its corporate governance practices.

Board of Directors

1. Independent Directors

The independent directors of the Corporation are Mr. Anthony Garson, Mrs. Linda Thorstad and Mr. David Grand

2. Non Independent Director

The non-independent directors of the Corporation are Mr. François (Frank) Dumas and Mr. Mark Billings in the light of their positions as officers and directors of the Corporation.

Directorships

The following table sets-out the directors and nominee directors of the Corporation that are, or have been within the last five (5) years, directors, officers or promoters of other issuers that are or were reporting issuers in any Canadian jurisdictions.

Name	Name of Reporting Issuer	Name of Exchange or Market (if applicable)	Position	From	To
Francois Dumas	LiteWave Corp.	OTCBB	President and Director	2009	2011
Mark Billings	Orex Exploration Inc.	TSXV	Director and CEO	2007	Present
	Argex Mining Inc.	TSXV	Director and CFO	2008	Present
	LiteWave Corp.	OTCBB	Director	2009	Present
	Iconic Mineral Inc.	TSXV	Director	2009	Present
	Canamex Resources Corp.	TSXV	Director	2009	Present
	itech Medical Solutions	OTCBB	Director	2009	2009
	TranAmerican Energy	TSXV	Director	2010	Present
	Zephyr Minerals	TSXV	Director	2011	Present
	Caldera Resources Inc.	TSXV	Director	2008	2012
	Aan Ventures Inc.	CNSX	Director	2007	2009
Linda Thorstad	Jiminex Inc.	TSXV	Director	2010	2012
	Eco (Atlantic) Oil & Gas	TSXV	Director	2010	2011
	Orsa Venture Corp.	TSXV	President, CEO and Director	2010	Present
	Oremex Resources Inc.	TSXV	CEO and Director	2006	2008

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new directors. The Board has not at this time taken any measures to provide continuing education for the directors. However, the directors of the Corporation are encouraged to attend, at the Corporation's expense, any seminar given by the Canadian national Exchange or the Canadian Securities Administrators relating to the management of a public company or relating to their responsibilities as a director of a public company. Furthermore, the directors are given access to the Corporation's legal advisors for any questions they may have relating to such responsibilities.

Ethical Business Conduct

In light of the Corporation's stage of development and its limited number of employees, the Board has not taken formal steps to encourage and promote a culture of ethical business conduct. Therefore, there is no Ethical Business Conduct Code currently in force within the Board of Directors. However, a director, in the exercise of his or her functions and responsibilities, must act with complete honesty and good faith in the best interest of the Corporation. He or she must also act in accordance with the applicable laws, regulations and policies.

In the event of a conflict of interest, a director is required to declare the nature and extent of any significant interest he or she has in any important contract or proposed contract with the Corporation, as soon as he or she has knowledge of the agreement or of the Corporation's intention to consider entering into the proposed agreement, and, in such case, the director shall abstain from voting on the subject matter.

Nomination of Directors

The Board of Directors does not have a nominating committee. The current size and composition of the Board of Directors allows the entire Board of Directors to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences, and ability to devote the required time.

Compensation

The Compensation Committee determines compensation. Compensation decisions are made based on regular reviews of industry specific standards, the Corporation's capacity to provide such compensation and the particular requirements of the position.

Board committees

Other than the Audit Committee and the Compensation Committee, the Corporation currently has no other committee.

Assessments

To date, no formal evaluation process has been put in place to evaluate the effectiveness of the directors, the descriptions of the positions held or the competence and qualifications that each director is required to bring to the Board of Directors. This task is the responsibility of the Board of Directors who punctually reviews its operation as well as its directors' role, and its members are encouraged to give feedback regarding the effectiveness of the Board of Directors as a whole, its practices and individual directors will, when necessary, make recommendations to the Board of Directors.

SCHEDULE “B”

MANDATE OF THE AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The Audit Committee (the “**Committee**”) of the Board of Directors of St-Georges Platinum and Base Metals Ltd. Inc., (the “**Corporation**”) shall assist the Board of Directors in fulfilling its responsibilities with respect to the financial statements, reports and other financial information to be provided by the Corporation to the shareholders and to the general public, the Corporation’s internal controls, and the Corporation’s audit, accounting and financial reporting processes generally. The Committee shall serve as an independent and objective monitor of the performance of the Corporation’s financial reporting process and system of internal control and review and appraise the efforts of the Corporation’s independent external auditors (the “**Auditors**”), financial and senior management concerning the Corporation’s financial position and affairs. The Committee will report its actions to the Board of Directors with such recommendations as the Committee may deem appropriate. The Committee shall be governed in accordance with the By-Laws of the Corporation and this Charter.

Audit Committee’s Main Purposes

The Committee’s primary duties and responsibilities are to monitor and gain reasonable assurance:

- that the Corporation complies with the applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges having jurisdiction relating to financial reporting and disclosure (the “**Rules**”);
- that management of the Corporation has assessed areas of potential significant financial risk to the Corporation and taken appropriate measures;
- of the independence and satisfactory performance of duties by the Corporation’s Auditors;
- that the accounting principles, significant judgements and disclosures that underlie or are incorporated in the Corporation’s financial statements are the most appropriate in the prevailing circumstances;
- that the Corporation’s quarterly and annual financial statements present fairly the Corporation’s financial position and performance in accordance with generally accepted accounting principles; and
- that appropriate information concerning the financial position and performance of the Corporation is disseminated to the public in a timely manner.

Composition

The Committee members shall be appointed by the Board from time to time. The Board shall designate the Chairman of the Committee annually. All of the members of the Committee shall meet the applicable requirements of the Rules.

Reliance on Experts

The Committee is authorized to confer with the Corporation’s management and other employees to whom it may deem necessary or appropriate to fulfil its duties. The Committee is authorized to conduct or authorize investigations into any matter within the Committee’s scope of responsibilities. The Committee also is authorized to seek outside legal or other advice to the extent it deems necessary or appropriate.

The Committee shall have the authority to approve the compensation for any advisors engaged by it. Management of the Corporation shall cause such compensation to be paid, without the need to obtain additional approvals. Each

member of the Committee shall be entitled to rely in good faith upon any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Committee shall also have the authority to communicate directly with the Auditors and legal counsel of the Corporation.

Independence of Committee Members

No member of the Committee may earn fees from the Corporation or any of its subsidiaries other than directors' fees and stock options (which fees may include cash, options or other in-kind consideration ordinarily available to directors). For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Corporation.

Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this Charter, each member of the Committee shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended, or may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

Meetings & Operating Procedures

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Members can attend committee meetings by phone. A quorum shall be a majority of the members. In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman. A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee in a timely fashion. The Chairman of the Committee shall prepare and/or approve an agenda in advance of each meeting.

Review Procedures

- The Committee, in consultation with management and the Auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Corporation's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the Auditors with respect to the nature, timing and extent of its information needs. Written materials shall be received from management and the Auditors in advance of meeting dates.
- The Committee should meet privately in executive session with management, the Auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.
- In addition, the Committee or at least its Chair should communicate with management and the Auditors quarterly to review the Corporation's financial statements and significant findings based upon the auditor's limited review procedures.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee shall establish that, in discharging their responsibilities to the shareholders, the Auditors shall be accountable to the Board through the Committee. The Auditors shall report all material issues or potentially material issues directly to the Committee, through the Chairman.

Detailed Responsibilities and Duties

The Committee shall have the following responsibilities and duties:

- Review and reassess the adequacy of this Charter at least annually, submit it to the Board for approval and ensure that it is in compliance with the Rules.
- Review the Corporation's annual audited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board. Review should include discussion with management and Auditors of significant issues regarding accounting principles, practices and judgments.
- Review the Corporation's quarterly unaudited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board. Review should include discussion with management and Auditors of significant issues regarding accounting principles, practices and judgments.
- Review and, if appropriate, recommend approval to Management of news releases and reports to shareholders issued by the Corporation with respect to the Corporation's annual and quarterly financial statements.
- Ensure that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements, other than the disclosure stated above, and periodically assess the adequacy of those procedures.
- In consultation with management and the Auditors, consider the integrity of the Corporation's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the Auditors together with management's responses.
- Review with management and the Auditors the appropriateness of the Corporation's accounting policies, disclosures, reserves, key estimates and judgements, including changes or alternatives thereto and to obtain reasonable assurance that they are in compliance with GAAP, and report thereon to the Board.
- Review the following with management with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - i. management's tolerance for financial risks;
 - ii. management's assessment of significant financial risks facing the Corporation;
 - iii. the Corporation's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks.
- On at least an annual basis, review with the Corporation's counsel, any legal matters that could have a significant impact on the financial statements, the Corporation's compliance with the Rules, and inquiries received from regulators or governmental agencies.
- Assume direct responsibility for overseeing the work of the Auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the Auditors regarding financial reporting.
- Evaluate and recommend to the Board the Auditors to be nominated to prepare or issue an audit report or perform other audit, review or attest services for the Corporation, and the compensation of the Auditors.
- Pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by its Auditors. Authority to pre-approve non-audit services may be delegated to one or more members, provided that the pre-approval is presented to the full Committee at its first scheduled meeting following such pre-approval.
- On an annual basis, the Committee should review and discuss with the Auditors all significant relationships they have with the Corporation that could impair the Auditors' independence.

- Review the Auditors' audit plan, discuss scope, staffing, locations, reliance upon management and internal audit and general audit approach.
- Prior to releasing the year-end earnings, discuss the results of the audit with the Auditors. Discuss certain matters required to be communicated to audit committees.
- Review any change in accounting practices or policies recommended by the Auditors and their impact on the financial statements.
- Where there are unsettled issues raised by the Auditors that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to their resolution.
- Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former Auditors of the Corporation.

Perform all other tasks or assume all other applicable responsibilities imposed on audit committees by the Rules.