

DISSIDENT PROXY CIRCULAR

Prepared in connection with the
Annual and Special Meeting
of the shareholders of

MIDLANDS MINERALS CORPORATION

to be held on June 28, 2011
for the solicitation of proxies by

THE CONCERNED SHAREHOLDERS OF MIDLANDS MINERALS CORPORATION

RECOMMENDATION

THE CONCERNED SHAREHOLDERS OF MIDLANDS MINERALS CORPORATION RECOMMEND THAT YOU ELECT THE INDIVIDUALS NAMED IN THIS CIRCULAR (AND THE DISSIDENT FORM OF PROXY) AS DIRECTORS OF MIDLANDS MINERALS CORPORATION AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 28, 2011.

IN ORDER TO BE DEPOSITED WITH MIDLANDS MINERALS CORPORATION'S REGISTRAR AND TRANSFER AGENT IN TIME TO BE USED AT THE MEETING, YOUR DISSIDENT PROXY MUST BE RECEIVED BY EQUITY FINANCIAL TRUST COMPANY PRIOR TO 10:00 A.M. (TORONTO TIME) ON JUNE 23, 2011.

EVEN IF YOU HAVE ALREADY VOTED IN FAVOR OF THE MANAGEMENT NOMINEES FOR DIRECTOR, YOU MAY CHANGE YOUR VOTE BY COMPLETING AND SUBMITTING A DISSIDENT PROXY DATED LATER THAN THE PREVIOUSLY SUBMITTED PROXY.

If you support the Concerned Shareholders' position, please follow the instructions set forth under "Questions about Voting My Shares" in this proxy circular with respect to depositing a proxy or voting at the meeting.

This dissident proxy circular has been prepared by the Concerned Shareholders not Midlands Minerals Corporation

If you have any questions, or require any assistance in voting your shares, please contact Robert Chalmers at 647.402.7552 or by email at chalmers@bayfrontcp.com.

DATED JUNE 20, 2011

DISSIDENT PROXY CIRCULAR

This dissident proxy circular (this “**Circular**”) and the dissident form of proxy are available to you in connection with the solicitation of proxies by Bayfront Capital Partners (“**Bayfront**”) to be used at the annual general and special meeting (the “**Meeting**”) of shareholders (each a “**Shareholder**” and collectively, the “**Shareholders**”) of Midlands Minerals Corporation (the “**Corporation**”), to be held at the Toronto Board of Trade – Downtown Centre, 1 First Canadian Place, Suite 350, Toronto, Ontario, M5X 1C1, on Tuesday, June 28, 2011 at 11:00 a.m. (Toronto time) and at any and all adjournments or postponements thereof. Bayfront is soliciting proxies on behalf of a number of Shareholders, including several principals of Bayfront (collectively, the “**Concerned Shareholders**”), who are seeking to elect the New Slate (as defined herein) to allow the Corporation to realize its true potential. In the event that the Meeting is adjourned or postponed, this Circular is furnished in respect of the solicitation of proxies for such adjourned or postponed meeting. Based upon publicly available information, the Corporation’s registered and head office is 1210 Sheppard Avenue East, Suite 302, North York, Ontario, M2K 1E3.

BayFront is an Exempt Market Dealer with a focus on advising and raising capital for junior mining companies. Within Bayfront’s first year of operation, it successfully closed over 40 financing for junior companies. Bayfront’s business plan is to provide an institutional discipline to the non-brokered private placement arena by brokering the financing and providing a marquee institutional base of investors. With a team of experienced professionals and a global network of institutional investors, Bayfront helps its clients create and sustain long term shareholder value.

NOTICE TO U.S. SHAREHOLDERS

This solicitation of proxies is not subject to the requirements of Section 14(a) of the United States Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”). Accordingly, such solicitation is made in the United States with respect to securities of a Canadian foreign private issuer in accordance with Canadian corporate and securities laws and this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders resident in the United States should be aware that such requirements are different from those of the United States applicable to proxy statements under the U.S. Exchange Act.

INFORMATION RELATING TO THE CORPORATION

Unless otherwise noted, the information concerning the Corporation contained in this Circular has been taken from or is based upon publicly available documents or records on file with Canadian securities regulatory and other public sources. Although the Concerned Shareholders have no knowledge that would indicate that any statements contained therein are untrue or incomplete, they do not assume responsibility for the accuracy or completeness of such information or for any failure by the Corporation to disclose material information which may affect the significance or accuracy of such information. Information concerning the Corporation is available for review on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular constitute forward-looking statements. The words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions as they relate to the Concerned Shareholders, the New Slate (as defined herein), the Corporation, or its future management, are intended to identify forward-looking statements. Such statements reflect the current views of the Concerned Shareholders with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation’s actual results, performance or achievements that may be expressed or implied by such forward-looking statements to vary from those described herein should one or more of these risks or uncertainties materialize. Such factors include, but are not limited to, economic, business, technological, competitive and regulatory factors.

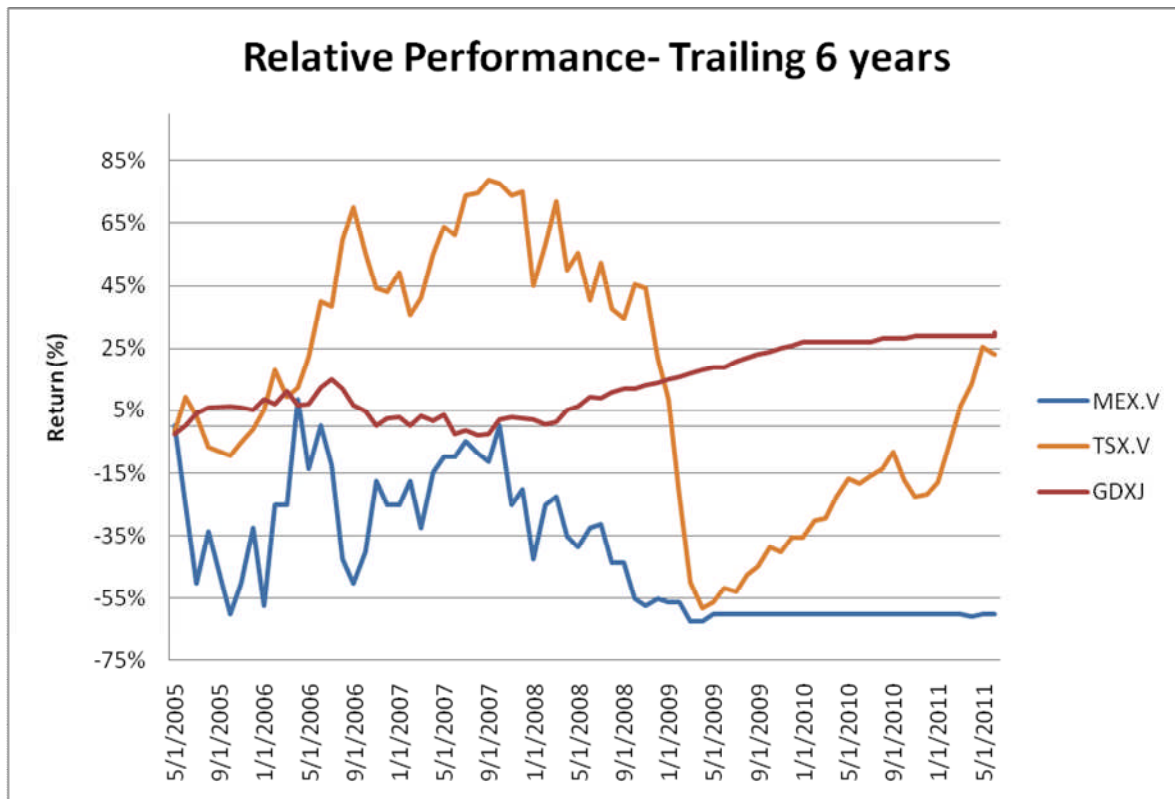
WHY ARE THE CONCERNED SHAREHOLDERS SOLICITING PROXIES?

The Concerned Shareholders are soliciting proxies in order to elect the New Slate as the board of directors of the Corporation, which is aligned with the interests of Shareholders and which will bring a renewed vision and focus to the Corporation's development.

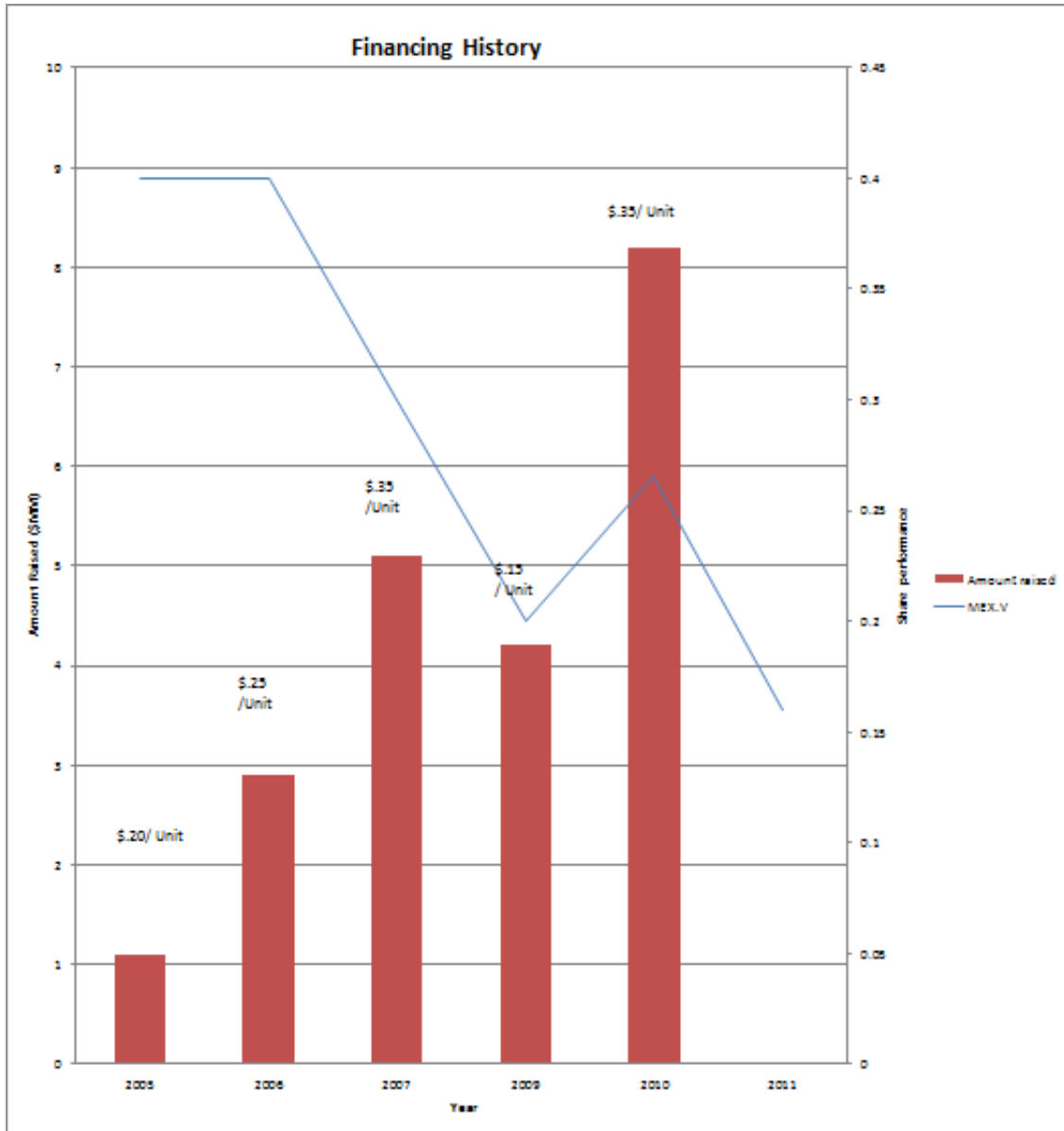
In addition, ISS Proxy Advisory Services ("ISS") has recommended that Shareholders withhold their support for the Management Nominees (as defined herein) because Kim Harris serves as an insider on a non-majority independent board that assumes the role of nominating and compensation committees. Electing the New Slate rather than the Management Nominees would be consistent with ISS's recommendation.

Over the past six years, as demonstrated by the following chart:

- The Corporation's share price has decreased from \$0.40 to \$0.16 (a decrease of 60%), while the TSX Venture Exchange Index has increased from 1825 to 2252 (an increase of over 23%).
- The price of the Market Vectors Junior Gold Miners ETF (GDXJ) increased by approximately 32%.



As illustrated by the following chart, the Corporation's financing history under current management has not resulted in increased Shareholder value.



**WHO ARE THE CONCERNED SHAREHOLDERS PROPOSING FOR
ELECTION TO THE BOARD?**

MIKE BERRY

Mike Berry has over 18 years of experience in the financial services industry. He has held increasingly senior positions, in both retail and institutional sales capacities, at institutions such as Cormark Securities Inc., Macquarie Group (formerly Yorkton) and Burns Fry Limited. Currently, Mike is a principal of BayFront. Michael holds a degree in Economics from the University of Western Ontario.

JOHN VETTESE

John Vettese is a corporate finance and mergers and acquisitions lawyer practicing at Cassels Brock & Blackwell LLP in Toronto, Ontario, where he is the Deputy Managing Partner and a member of the firm's Executive Committee. He received his LL.B. from Osgoode Hall Law School and is a member of the Law Society of Upper Canada.

John has acted as lead counsel for a number of public clients and investment dealers involved in complex and innovative securities matters. His practice is focused in the metals and mining, agriculture, and diversified industries sectors. John has acted as lead counsel on several recent mergers and acquisition transactions. John's greatest breadth of expertise lies in advising emerging and mid-market companies navigating their way through the public markets for the first time. His strong understanding of the commercial objectives of a transaction, together with his practical approach, are frequently relied upon by companies that require more than just legal advice when facing such critical decisions as structuring a going-public transaction, choosing and structuring a business relationship with an underwriter, constructing a management team and board of directors and developing an overall approach to matters of executive compensation and corporate governance.

John has developed expertise in the area of cross-border initial public offerings by US emerging and mid market issuers seeking listings on Canadian stock exchanges. John has been recognized in this area in the *Lexpert Guide to the Leading US/Canada Cross-Border Corporate Lawyers in Canada* and in the *Lexpert/American Lawyer Guide to the Leading 500 Lawyers in Canada*. He is also ranked as a leading lawyer in natural resources by *Best Lawyers in Canada*.

MARK J. MORABITO

Mark J. Morabito is the founder and Executive Chairman of Crosshair Exploration & Mining Corp. (NYSE Amex: CXZ) (TSX: CXX) and the co-founder, President and Chief Executive Officer of Alderon Resource Corp. (TSX.V: ADV) (OTCQX: ALDFF). Mark has a background in corporate finance and securities law as well as over 15 years experience in public markets, with a strong focus on junior mining and small business venture capital with extensive experience in capital-raising and corporate development. Mark has raised over \$150 million in public markets over the last five years. He graduated from Simon Fraser University with a B.A. in 1990 and completed his J.D. at the University of Western Ontario in 1993 and has been a member of both the Ontario Bar and British Columbia Bar since 1995.

NICHOLAS TINTOR

Nicholas Tintor is the Managing Director, RG Mining Investments Inc., and the President and Director, Southern Andes Energy Inc. since May 2010. From January 2007 to March 2011, Nick was President and Chief Executive Officer of Homeland Uranium Inc. From 2002 to January 2008, he was President and Chief Executive Officer of Anaconda Gold Corp.

A graduate of the University of Toronto (B.Sc., Geology), he has more than 25 years of experience in the mining industry and has been involved with all aspects of junior mining company management, finance and project acquisition. Nick is also a Director of the following TSX-listed companies: Southern Andes

Energy Inc. and DNI Metals Inc. Nick is a director of Homeland Uranium Inc, a non-listed issuing company, the President and Chief Executive Officer and a Director of Caracara Silver Inc., wholly owned subsidiary of Southern Andes Energy Inc., and a Member of the Canadian Institute of Mining and Metallurgy.

ANTHONY WONNACOTT

Anthony Wonnacott is a corporate securities lawyer in Toronto, Ontario, Canada with over 15 years of experience. He is a member of the Law Society of Upper Canada and holds a B.Comm. (cum laude) from Saint Mary's University and a LL.B. from Dalhousie University. He began his career working at a major Toronto law firm in the banking and securities field before moving to work as a legal consultant at a number of companies, primarily in the mining and resource industry. As a consultant and officer of several of these companies, Anthony has been involved with the successful listings of private companies, the outright sale of a company for approximately \$750 million and capital raisings in excess of \$3 billion

ALAIN VACHON

Alain Vachon is a professional geologist with more than 34 years of experience in mine geology and mineral exploration. A graduate of the University du Québec at Chicoutimi in Geological Engineering, Alain began his career working for a Quebec-France consortium, SOQUEM and Ressources Minières Rouyn where he held the position of chief geologist for a 600 tons per day gold underground operation. He also worked as a senior geologist with Noranda Exploration and Barrick Gold, acquiring international project evaluation experience with Barrick in Africa, Central and Latin America.

From 1997 to January 2011, Alain has worked for several junior Canadian companies in Peru on project evaluation, acquisition and development where he held the position of General Manager and consulting geologist. Notably, he successfully completed the acquisition for Gold Hawk Resources of the Tamboraque polymetallic mine (Au-Ag-Zn-Pb-Cu) from Scotia Bank Peru and a private company.

Alain is Vice President Exploration for Southern Andes Energy and Caracara Silver Inc., both TSXV-listed companies with 2011 multi million dollars exploration programs respectively for uranium and silver in Peru.

Alain is a Qualified Person as defined under Canadian Securities laws and is a Member of the Ordre des Ingénieurs de Québec.

Mr. Vachon is fluent in English, Spanish and French, which is a key asset in West Africa.

Collectively, this group is referred to in this Circular as the "**New Slate**".

Your vote is very important to the future of your investment in the Corporation. If, after reading this Circular, you agree that the proposed changes to the Board are desirable, please sign, date and return the DISSIDENT PROXY to Equity Financial Trust Company ("Equity") at 200 University Avenue, Suite 400, Toronto, Ontario, Canada, M5H 4H1 (via fax at 416.361.0470). The required documents will be submitted to the officials conducting the Meeting on your behalf. The DISSIDENT PROXY automatically revokes any earlier proxy.

THE CONCERNED SHAREHOLDERS RECOMMEND THAT YOU VOTE FOR THE ELECTION OF THE NOMINEES NAMED IN THIS CIRCULAR AS DIRECTORS OF THE CORPORATION.

Please follow the instructions under the "Information About Voting at the Meeting – Appointment and Revocation of Proxies" heading in this Circular with respect to depositing a proxy. Even if you plan to attend the Meeting, to ensure your vote is counted, return your proxy in accordance with the enclosed instructions. Shareholders who attend the Meeting may also change their vote at the Meeting.

IF YOU HAVE ALREADY VOTED IN FAVOUR OF MANAGEMENT, YOU MAY CHANGE YOUR VOTE BY COMPLETING AND SUBMITTING A DISSIDENT PROXY DATED LATER THAN YOUR PREVIOUSLY SUBMITTED PROXY.

BACKGROUND

The purpose of this solicitation of proxies by and on behalf of the Concerned Shareholders is to seek the election of the individuals listed under "Election of Directors" herein to the Board.

Composition of the Board

On or about May 20, 2011, management of the Corporation mailed a notice of meeting and management information circular dated May 19, 2011 (the "**Management Circular**") and form of proxy to Shareholders. The Management Circular disclosed that the following persons have been proposed for election as directors of the Corporation: Kim F. Harris, Edward Harris, Mark B. Keatley, R. Jonathan Carruthers, Karl Schmed and David Groves (the "**Management Nominees**"). The Management Nominees are currently directors of the Corporation.

The Concerned Shareholders

The Concerned Shareholders are a number of Shareholders who believe the Management Nominees and current management are not capable of growing the Corporation's current assets and increasing value to Shareholders. Notwithstanding the identification of the Concerned shareholders as a "group" in this Circular, the Concerned Shareholders have not entered into any agreements, commitments or understandings in relation to the voting of their respective common shares (the "**Common Shares**") of the Corporation. They have agreed to work together in an attempt to replace the current board of directors with directors whose interests are aligned with those of the Shareholders.

WHY IS CHANGE NECESSARY?

1. DEFICIENCIES IN CURRENT MANagements LEADERSHIP

The Corporation has highly prospective gold projects with the potential to become a multimillion ounce gold deposit in Ghana. However, current management has demonstrated a lack of experience and an inability to grow the Corporation's assets and deliver value to Shareholders. In particular, current management has displayed an inability to manage a junior resource company in the following areas:

- **No material advancement in resource**
- **Historical failure to drill at depth**
- **Rotating VPs of Exploration**
- **Numerous geologists with no value to exploration**
- **Excessive spending of Shareholders' capital**

- **Unachievable 2011 work program**
- **Concerns about conflicts of interest**

The Corporation is situated within the prolific Ashanti Goldbelt in Ghana, which is home to the world's largest gold deposit, and has multimillion ounce gold deposits neighboring its property. The Concerned Shareholders ask why such prospective assets are consistently undervalued by the market, and why is current management unable to provide more value to Shareholders? The Concerned Shareholders believe the answer to this question is that the Corporation has suffered from entrenched and ineffective management who are failing to realize the true potential of the Corporation's assets. Therefore, the Concerned Shareholders think it is imperative to act now to change management so that Shareholders do not continue to miss the opportunity presented by current gold prices.

Current management has ignored all geological potential at depth, and have rotated through four Vice Presidents of Exploration since 2006. The Corporation has also stated that its pace has been too slow and the efforts of the most recently appointed Vice President of Exploration need to be supplemented, which has resulted in further appointments to its technical team. The Concerned Shareholders believe the exploration program needs to test at depth for the potential of porphyry style mineralization, and question current management's reluctance to do so. The Concerned Shareholders also believe current management does not have sufficient capital market experience to effectively exploit the Corporation's assets true potential. This is evidenced by a recent press release regarding RC drill results at Kaniago, which were released under Tom Neeland, Vice President of Exploration. At a meeting with current management during the week of June 6, 2011, current management eluded to these holes as being spectacular. However, the results were lackluster and Shareholders' value declined by 6.25% on 221,400 Common Shares traded when this news was released.

The Corporation has brought on a number of geological consultants and consulting companies, each of them providing minimal value to exploration.

On June 15, 2010, the Corporation repurchased 5% of its outstanding Common Shares. The Concerned Shareholders believe that Shareholders would be better rewarded if such capital was allocated to exploration. The Corporation spends excessively on corporate overhead, and the Concerned Shareholders believe such spending is negatively impacting the price of the Common Shares. According to the Corporation's 2010 audited financial statements, the Corporation spent \$500,000 on investor relations, \$1.4 million on management fees, \$851,000 on office and administrative expenses, and \$176,000 on travel and automobiles. The Concerned Shareholders feel this spending is excessive for a company with a \$15 million market capitalization.

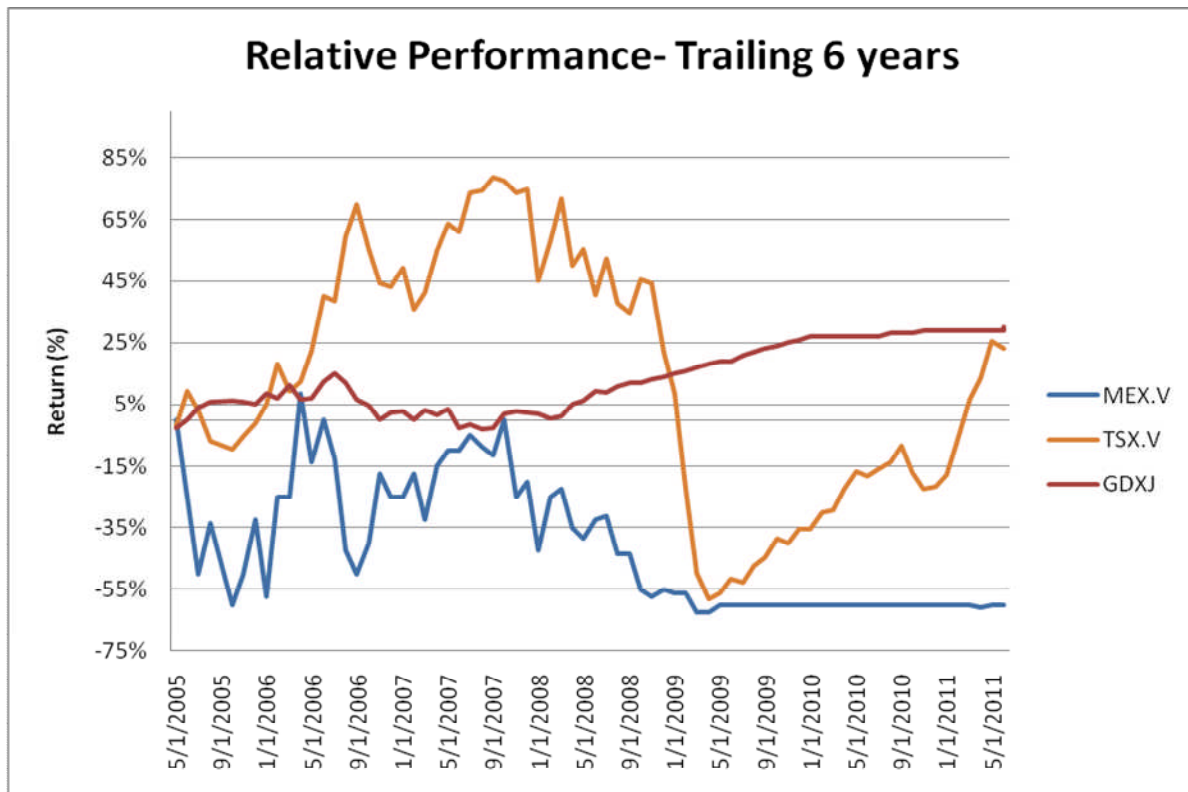
Current management recently stated in their 2011 work program for Sian-Praso that they will undertake an aggressive exploration program of 45,000 metres of RC and diamond core drilling over previously untested anomalies. Although the Corporation has only \$2.5 million of cash available, they are spending \$400,000 per month, and later announced that \$10 million would be required to conduct their proposed exploration program. The Concerned Shareholders believe current management does not have the credibility to get the required financing and therefore the proposed exploration program is not achievable.

The Corporation acquired its Tanzanian assets for \$530,434 from a company controlled by Kim Harris, the President and Chief Executive Office and a current director of the Corporation, in 2007. Kim Harris personally received 3.4 million Common Shares for the assets and additional 2.5 million Common Shares were paid to the vendor, Sika Resources, a company controlled by Kim Harris. The assets have had exploration costs associated with them of \$2,235,462, with no significant success, and the current 2011 budget requires \$3 million. Current management has stated that the Tanzanian assets will be sold to Benzai Capital Corp., a listed shell company with no management and no capital. The close connection between Kim Harris and these two companies raises concern about a potential conflict of interest. The lack of value that was created from this arrangement and the individuals who benefited from it raises a concern that not all Shareholders are being treated equally.

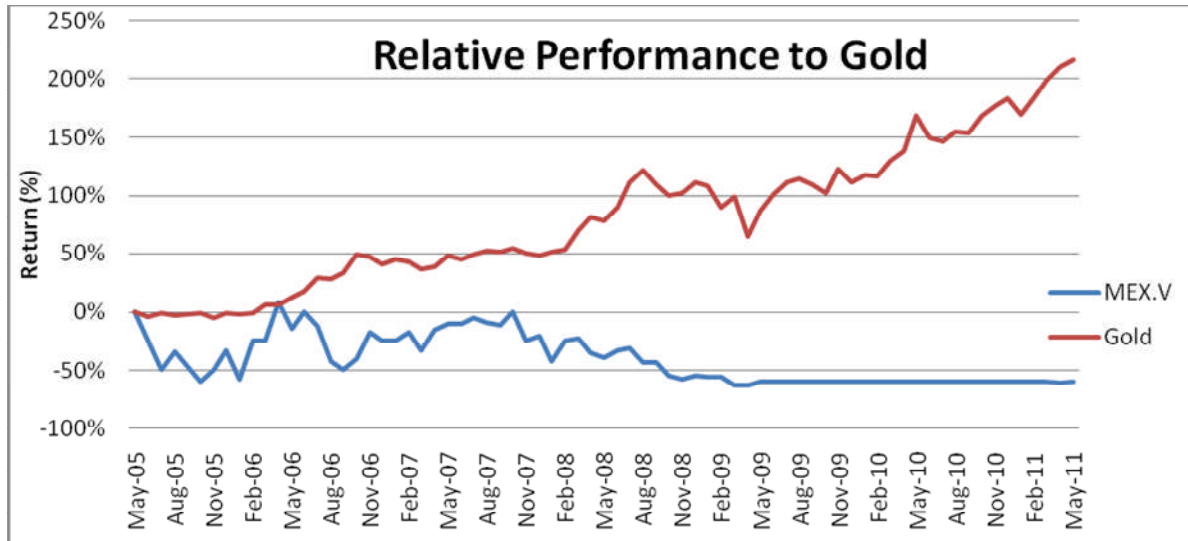
2. CURRENT MANAGEMENT'S LACK OF ABILITY TO DELIVER SHAREHOLDER VALUE

The Corporation's website states that: "Midlands has viable quality projects in low-risk mining friendly countries and a seasoned management team with extensive experience in Africa. The Company has demonstrated access to capital markets and low overhead costs, all of which ensures that Midlands Minerals Corporation is focused on its exploration activities". While the Concerned Shareholders agree that the Corporation has viable quality projects, current management has been unable to execute on their stated plan and has continuously raised funds in the capital markets, with little value as a result.

As demonstrated by the following chart, over the past six years the Corporation's share price has decreased from \$0.40 to \$0.16 (a decrease of 60%), while the TSX Venture Exchange Index has increased from 1825 to 2252 (an increase of over 23%), and the price of the Market Vectors Junior Gold Miners ETF (GDXJ) has increased by approximately 32%.



While the price of the Common Shares has declined by 60% over the past six years, the price of gold has increased by 256%.



3. FAILURE OF CURRENT MANAGEMENT TO ADVANCE THEIR GHANA AND TANZANIA PROJECTS

Despite having raised \$22 million since 2006, current management has consistently over-promised and under-delivered to Shareholders. During this time, the Corporation drilled 40,000 m for a resource of 600,000 ounces, while 200,000 ounces are non-compliant.

4. CURRENT MANAGEMENT RESPONSIBLE FOR LOST OPPORTUNITY AND SHAREHOLDERS CANNOT AFFORD MORE OF THE SAME

Despite the recent increase of gold prices to over US\$1,500 per ounce, Shareholders have failed to benefit. Shareholders cannot afford to miss out on what appears to be the start of another period of relatively high gold prices.

5. CURRENT MANAGEMENT'S FAILED EFFORTS WITH INVESTOR RELATIONS

Despite relatively high gold prices, a bull market in gold company shares, and positive announcements by current management of drill results and acquisitions, the trading price of the Common Shares continues to languish. A supportive institutional shareholder base is critical to any serious resource company and it appears that most institutions are discounting current management's credibility. If the price of the Common Shares is to improve and reflect the value of its underlying assets, a new vision is required.

6. CURRENT MANAGEMENT IS NOT ALIGNED

Although Kim and Ed Harris own approximately 10 million Common Shares combined, the total cash amount paid for such Common Shares has been nominal (approximately \$160,000). The Concerned Shareholders would like to complete a financing where management and directors participate alongside institutional shareholders to create more unity with the goal of creating and increasing Shareholder value.

WHAT WILL THE NEW SLATE DO?

The New Slate will seek to increase Shareholder value by evaluating the current state of the company and assessing its strategic requirements, and implementing the required changes as more particularly described below.

Maintain Continuity with Government by Retaining Management

The New Slate will assess all levels of the Corporation's management and will seek to retain existing management (including the current President and Chief Executive Officer, Kim Harris, if this is determined to be appropriate) in order to maintain continuity in terms of government relations. The New Slate will also review the Corporation's previous decisions with management, in an effort to learn from its past mistakes.

Revise Exploration Program

The New Slate will re-evaluate the current exploration program and test for the potential of porphyry style mineralization at depth, which the Corporation has not done historically. Respected geologists believe that this theory has merit, based on mineralization in existing core. The Concerned Shareholders question current management's reluctance to test this theory and once the New Slate has been elected, the Concerned Shareholder plan to retain a technical team to prioritize and advance all projects in a manner that best benefits Shareholders. The Current Shareholders believe that with a vision and a conviction to exploration, the New Slate will create value for Shareholders.

Review Current Resource

The New Slate will assemble a world class team of qualified personnel to review the Corporation's current resource and determine the status of all properties. In order to implement this plan as quickly as possible following election of the New Slate, qualified individuals have already been contacted by the Concerned Shareholders.

Formulate a Long Term Capital Markets Strategy

The New Slate would formulate a long term capital markets strategy for the Corporation. With the advisory service of BayFront, the New Slate would leverage their respective capital markets knowledge and raise institutional capital to properly position the Corporation with a well-capitalized balance sheet.

The Corporation's current financial position has approximately \$2.5 million in available cash and current management is spending \$400,000 per month. As a result of the current management's 2011 budget requiring expenditures of approximately \$11 million in drilling, the Corporation is not currently financeable. With a proper capital raise, the New Slate intends to prove the geological theory referred to above and inevitably unlock the hidden value of the Corporation. The New Slate would also implement a plan to bring the main projects to bankable feasibility and development, if warranted.

With a properly capitalized balance sheet, a strong platform of institutional investors and the proper sponsorship, the Concerned Shareholders believe the Corporation will be on track to take advantage of the recent gold bull market and provide value to Shareholders.

PROXY CHALLENGE: NOT BUSINESS AS USUAL

Initiating a dissident proxy contest is not something that is done lightly, nor is it the preferred method of doing business. However, the Corporation is in need of new management and, after due deliberation, it was determined that replacing the Management Nominees with the New Slate and implementing the changes described above is the most effective way to see the Corporation finally realize its potential.

It is in **YOUR** hands to protect your investment and help maximize Shareholder value by voting your **DISSIDENT** proxy.

INFORMATION ABOUT VOTING AT THE MEETING

1. Record Date and Voting Shares

The Corporation has fixed the record date for those entitled to receive notice of the Meeting as at the close of business on May 12, 2011 (the "**Record Date**"). Only Shareholders of record as at the Record Date are entitled to receive notice of the Meeting. Shareholders of record included in the list of Shareholders entitled to vote at the Meeting as at the Record Date will be entitled to vote their Common Shares at the Meeting and will be entitled to one vote for each Common Share held. According to the Management Circular, 102,965,931 Common Shares were issued and outstanding as at May 19, 2011.

2. Solicitation of Proxies

Proxies may be solicited by Bayfront, the New Slate, their agents (including Phoenix Advisory Partners) and advisors, including by mail, telephone, fax or other electronic means. The costs incurred in the preparation and mailing of this Circular and the solicitation will initially be borne directly by the Concerned Shareholders (and is estimated to be approximately \$50,000), **but, if successful, the Concerned Shareholders will ask the Corporation to reimburse these costs, and other costs incurred in connection with the Meeting, including legal fees and disbursements.** The Concerned Shareholders request that banks, brokerage houses and other custodians, nominees and fiduciaries forward all solicitation materials sent to them by the Concerned Shareholders to the beneficial owners of Common Shares they hold as registered owner and the Concerned Shareholders will reimburse them for reasonable clerical and mailing expenses incurred by them in forwarding these materials to their customers.

No person is authorized to give information or to make any representation other than those contained in this Circular and, if given or made, such information or representations must not be relied upon as having been authorized to be given or made.

3. Appointment and Revocation of Proxies

The persons named as proxyholders in the enclosed **DISSIDENT** form of proxy are Anthony Wonnacott and John Vettese. **YOU MAY REVOKE A PROXY ALREADY GIVEN PURSUANT TO MANAGEMENT'S SOLICITATION OF PROXIES BY COMPLETING AND DELIVERING THE DISSIDENT FORM OF PROXY.** A later dated **DISSIDENT** form of proxy revokes any and all prior proxies given by you in connection with the Meeting.

Shareholders should carefully complete and sign their proxies in accordance with the instructions contained in this circular and on the DISSIDENT proxy in order to ensure that their proxies can be used at the Meeting. Completed and executed proxies should be returned in accordance with the instructions on the form of proxy.

IN ORDER TO BE VOTED AT THE MEETING, YOUR PROXY MUST BE RETURNED TO EQUITY PRIOR TO 10:00 A.M. (TORONTO TIME) ON JUNE 23, 2011. HOWEVER, IF YOU CANNOT MEET THIS DEADLINE, WE RECOMMEND THAT YOU FAX YOUR PROXY TO EQUITY IN ANY EVENT.

If you have already given a proxy, you have the right to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by that proxy and may do so: (i) by delivering another properly executed **DISSIDENT** form of proxy bearing a later date and depositing it with Equity or by faxing such form of proxy to them; (ii) by depositing an instrument in writing revoking the proxy and properly executed by you or by your attorney authorized in writing, or, if the Shareholder is a corporation, by a duly authorized officer or attorney of such corporation: (A) at the registered office of the Corporation, at 1210 Sheppard Avenue East, Suite 302, North York, Ontario, M2K 1E3 at any time up to and including the business day immediately preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used; or (B) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (iii) in any other manner permitted by law. As noted above, you may also revoke a proxy already given pursuant to management's solicitation of proxies by completing and delivering the **DISSIDENT** form of proxy to Equity.

4. Exercise of Discretion

The Common Shares represented by the enclosed proxy will be voted on any ballot at the Meeting or any adjournment(s) or postponement(s) thereof, and where you specify a choice with respect to any matter to be acted upon, the Common Shares will be voted in accordance with your specification so made.

In the absence of such specification, Common Shares represented by the **DISSIDENT** form of proxy will be voted **FOR** the election of the New Slate as directors of the Corporation and **FOR** the other items of business to be considered at the Meeting. The person appointed under the proxy is conferred with discretionary authority (which they will exercise in accordance with their best judgment) with respect to amendments of those matters specified in the proxy and with respect to any other matters which may properly be brought before the Meeting or any adjournment(s) or postponement(s) thereof. The New Slate is not currently aware of any such amendment, variation or other matter.

5. Instructions to Shareholders

See the "Questions About Voting My Shares" below for guidance regarding how to support the New Slate.

Questions About Voting My Shares

Because of the way in which shares are held in Canada, the procedures for voting shares at a shareholder meeting are somewhat complicated. The following is a summary of some of those procedures, based on questions you may have about voting procedures.

1. How do I vote to support the New Slate?

This depends on how you own your shares. There are two ways of holding shares in Canada:

- as a "registered" shareholder
- as a "beneficial" shareholder

2. Why does it matter if I am a "registered" shareholder or a "beneficial" shareholder?

The procedures for voting shares as a registered shareholder and a beneficial shareholder are very different. If you are a registered shareholder, you are allowed to attend the Meeting or submit a **DISSIDENT PROXY**. If you are a beneficial shareholder, you must follow the instructions provided to you by your broker or the intermediary through which you hold your Common Shares. If you are a beneficial shareholder, you will not be allowed to attend the Meeting unless the Chair of the Meeting consents or you appoint yourself as your own proxy, in the manner discussed below.

3. How do I vote if I am beneficial shareholder?

If you are a beneficial shareholder and wish to support the New Slate, you should contact the intermediary through which you hold your Common Shares and follow their instructions regarding voting the DISSIDENT proxy.

If you have already submitted a management form of proxy, you should revoke the proxy by contacting the intermediary through which you hold your Common Shares and follow their instructions regarding the revocation of proxies, and then follow their instructions regarding voting the DISSIDENT proxy.

If you have any questions or require any assistance with voting your Common Shares, please contact Robert Chalmers at 647.402.7552 or by email at chalmers@bayfrontcp.com.

4. If I am a beneficial shareholder, can I vote just by going to the Meeting?

No.

5. How do I vote for the New Slate if I am a registered shareholder?

If you are a registered holder of Common Shares, you may vote in person at the Meeting or you may appoint another person to represent you as proxyholder and vote your Common Shares at the Meeting. Registered shareholders who attend the Meeting are entitled to cast one vote for each Common Share held by them. Whether or not you plan to attend the Meeting, you are encouraged to vote. Your participation in person in a vote by ballot at the Meeting will automatically revoke any proxy previously given. Upon arriving at the Meeting, report to the desk of the scrutineer, Equity, to sign in and revoke any proxy previously given.

Appointment of Proxies

The individuals named in the dissident form of proxy are representatives of the Concerned Shareholders. Your proxyholder is the person that you appoint to cast your votes for you. Signing the Dissident form of proxy appoints Anthony Wonnacott, or failing him, John Vettese, as your proxyholder to vote your Common Shares at the Meeting. **You can choose anyone you want to be a proxyholder – it does not have to be the person designated in your DISSIDENT form of proxy. Just write the name of the person you would like to appoint in the blank space provided in the DISSIDENT form of proxy.** If you write the name of another person in the DISSIDENT form of proxy, please ensure that the person that you have appointed will be attending the Meeting and is aware that he or she will be voting your common shares. If the proxyholder does not attend the Meeting, those votes will not be counted. Proxyholders should speak to a representative of Equity upon arriving at the Meeting.

If you sign the DISSIDENT form of proxy but leave the space blank, Anthony Wonnacott or John Vettese will be authorized to act and vote for you at the Meeting. The DISSIDENT form of proxy confers discretionary authority upon the proxyholder(s) named therein with respect to amendments or variations of matters identified in the Notice of Meeting or any adjournment of the Meeting or other matters which may properly come before the Meeting or any adjournment of the Meeting.

Revocation

If you are a registered shareholder and have submitted a proxy and later wish to revoke it, you can do so by:

- (a) completing and signing a form of proxy bearing a later date and depositing it as described above;
- (b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf): (i) not later than 10:00 a.m. (Toronto time), on the last business day preceding the day of the Meeting at which the proxy is to be used; or (ii) with the Chair of the Meeting before the Meeting starts on the day of the Meeting; or
- (c) following any other procedure that is permitted by law.

Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must make appropriate arrangements with their respective brokers or other intermediaries.

6. How do I sign the DISSIDENT PROXY?

The **DISSIDENT PROXY** must be signed and dated by a Shareholder or by his or her attorney authorized in writing. If a Shareholder is a corporation or other association, it must be signed by a duly authorized individual under the corporate seal (if the holder is a corporation). Also, a certified copy of the resolution authorizing such person to sign the **DISSIDENT PROXY** must accompany the **DISSIDENT PROXY**.

7. Can I go to the Meeting myself and support the New Slate?

The Chair of the Meeting can exclude you from the Meeting unless you are a registered Shareholder or a proxyholder. In any case, only registered Shareholders and proxyholders can vote. If you are a beneficial Shareholder, you should follow the procedures detailed above to have the right to attend and vote at the Meeting. If you are a registered Shareholder, you have the right to attend and vote at the Meeting if you choose to do so.

8. What if I have other questions and need assistance in voting my shares?

If you have questions, you may contact Robert Chalmers at 647.402.7552 or by email at chalmers@bayfrontcp.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

As set forth in the Management Circular, the following items of business will be considered at the Meeting:

1. to receive the consolidated financial statements of the Corporation for the year ended December 31, 2010, and the auditor's report thereon;
2. to consider, and if deemed advisable, to pass, without variation, a resolution electing the directors for the ensuing year;
3. to appoint the auditors of the Corporation and authorize the directors to fix the auditor's remuneration;
4. to consider and if deemed advisable, to pass without variation, a resolution approving the Corporation's stock option plan; and
5. to transact any other business properly brought before the Meeting.

1. Election of Directors

For the reasons set out above, the Concerned Shareholders strongly urge you to elect the New Slate as directors of the Corporation.

The following table sets out the names and municipalities of residence of each member of the New Slate, their principal occupation or employment, and the number of Common Shares and any other securities of the Corporation beneficially owned by each, directly or indirectly or over which they exercise control or direction. Each elected nominee will hold office until the close of the next annual meeting of Shareholders or until a successor is elected or appointed, unless such nominee's office is earlier vacated. None of the New Slate has previously served as a director of the Corporation or occupied any other position with the Corporation.

Name and Municipality of Residence	Present Occupation and Positions Held During Last Five Years	No. of Common Shares / Total Securities of the Corporation Beneficially Owned and Controlled
Mike Berry Toronto, Ontario	Principal of Bayfront Capital Partners	500,000
Mark Morabito North Vancouver, British Columbia	Founder and Chairman of Crosshair Exploration Corp., CEO, President and a Director of Ridgemont Iron Ore Corp. and President of Ridgemont Iron Ore Corp., and President and Chief Executive Officer of EGM Exploration Group Management Corp.	Nil
Nicholas Tintor Toronto, Ontario	Chief Executive Officer and President of Southern Andes Energy Inc., President and Chief Executive Officer of Anaconda Mining Inc. (January 2002 to January 2008) and President and Chief Executive Officer of Nord Gold Resources Corp. (February 15, 2006 to August 21, 2006)	Nil
Alain Vachon Toronto, Ontario	Geologist	Nil
John Vettese Toronto, Ontario	Partner at Cassels Brock & Blackwell LLP	150,000 ⁽¹⁾
Anthony Wonnacott Toronto, Ontario	Legal consultant	Nil

Notes:

⁽¹⁾ Held by the spouse of Mr. Vettese.

Several of the proposed directors of the Corporation serve as directors of other reporting issuers. Currently, the following director nominees serve on the boards of directors of other public companies as listed below.

Director	Public Company Board Membership
Mark J. Morabito	Alderon Resource Corp., Excelsior Mining Corp., Logan Resources Ltd., Ridgemont Iron Ore Corp., Santa Fe Metals Corp. and Silver Quest Resources Ltd.
Nicholas Tintor	DNI Metals Inc. and Southern Andes Energy Inc.
Alain Vachon	d'Arianne Resources Inc.
John Vettese	Excelsior Mining Corp.

Each of the foregoing have consented to serve as a director of the Corporation if elected as a director of the Corporation. **It is not contemplated that any of the New Slate will be unable to serve as a director. However, if that shall occur for any reason prior to the Meeting, the representatives named in the related DISSIDENT PROXY reserve the right to vote for another nominee at their discretion.**

To the knowledge of the Concerned Shareholders, none of the New Slate or any of their associates or affiliates: (i) has had a material interest, direct or indirect, in any transaction since the beginning of the Corporation's last completed financial year or in any proposed transaction that has materially affected or will

materially affect the Corporation or any of its affiliates; or (ii) has any material interest in any matter to be acted upon at the Meeting other than the election of directors.

To the knowledge of the Concerned Shareholders, none of the New Slate is or has been indebted to the Corporation or any of its subsidiaries at any time since the beginning of the Corporation's most recently completed financial year or which have indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding by the Corporation or any of its subsidiaries.

The nominees comprising the New Slate may take part in the solicitation of proxies for the Meeting but, apart from agreeing to stand for election as directors, none of the nominees comprising the New Slate has otherwise taken the initiative in organizing, directing or financing the Concerned Shareholders.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Concerned Shareholders, none of the New Slate (or a personal holding company of such person) (A) is or has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, (B) is or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision, (C) is or has been in the last ten years, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity: (a) was subject to a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, (D) is or has been in the last ten years, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (E) has in the last ten years 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 such person's assets.

Recommendation to Shareholders: Election of Directors

The Concerned Shareholders recommend that Shareholders establish the number of directors of the Corporation as six and vote FOR the election of the individuals named above. The individuals named in the DISSIDENT form of proxy intend to cast the votes represented by such proxy FOR the election of the above-noted nominees, unless you direct that the Common Shares represented thereby be withheld from voting.

**THE CONCERNED SHAREHOLDERS RECOMMEND THAT YOU VOTE FOR
THE ELECTION OF THE NEW SLATE NAMED IN THIS CIRCULAR
AS DIRECTORS.**

Composition of the Board and Audit Committee

The Concerned Shareholders believe that, if elected, each member of the New Slate will be considered to be “independent” directors for the purposes of applicable securities law and stock exchange rules.

The Concerned Shareholders expect that, if the New Slate is elected, three of its members who are both “independent” and “financially literate”, as required by applicable securities laws, will be appointed to the Audit Committee.

2. Appointment of Auditors

Based on the Management Circular, the Concerned Shareholders understand that management of the Corporation will nominate Schwartz Levitsky Feldman, Chartered Accountants (the “**Auditor**”), as the auditor of the Corporation to hold office until the next annual general meeting of shareholders and to authorize the board of directors of the Corporation to fix their remuneration. Based upon publically available information the Auditor was first appointed as auditor of the Corporation in 2007.

The individuals named in the DISSIDENT form of proxy intend to vote FOR the reappointment of the Auditor as the auditor of the Corporation to hold office until the next annual general meeting of shareholders and to authorize the board of directors of the Corporation to fix their remuneration, unless you direct that the Common Shares represented thereby be withheld from voting in the case of the appointment of such auditors or against authorizing the board of directors of the Corporation to fix their remuneration, as the case may be.

Recommendation of Concerned Shareholders: Appointment of Auditors

**THE CONCERNED SHAREHOLDERS RECOMMEND THAT YOU VOTE FOR
THE RE-APPOINTMENT OF SCHWARTZ LEVITSKY FELDMAN,
CHARTERED ACCOUNTANTS, AS AUDITORS OF THE CORPORATION AND AUTHORIZE
THE BOARD TO FIX THEIR REMUNERATION.**

3. Approval of Stock Option Plan

Based upon the Management Circular, the Concerned Shareholders understand that the Shareholders have been asked to ratify the continued use of the Corporations’ stock option plan (the “**Stock Option Plan**”). The continued use of the Stock Option Plan must be approved by a majority of the votes cast at the Meeting by Shareholders present in person or by proxy.

Recommendation of Concerned Shareholders: Stock Option Plan

The individuals named in the DISSIDENT form of proxy intend to vote FOR the continued use of the Stock Option Plan, unless you direct that the Common Shares represented thereby be voted against the approval of the amendments. The text of the resolution relating to the Stock Option Plan is set forth in Schedule “A” to the Management Circular.

**THE CONCERNED SHAREHOLDERS RECOMMEND THAT YOU VOTE FOR
THE APPROVAL OF THE CONTINUED USE OF THE STOCK OPTION PLAN.**

OTHER BUSINESS OF THE MEETING

If any amendment or variations to the matters identified herein and the notice of Meeting provided by current management are proposed at the Meeting, or if any other matters should properly come before the Meeting, the **DISSIDENT PROXY** confers discretionary authority on the representatives named in the **DISSIDENT PROXY**, to vote on these items in accordance with the best judgment of such persons. The Concerned Shareholders are not currently aware of any such amendments or variations or any such other matters that may come before the Meeting.

OTHER IMPORTANT INFORMATION

1. Interest of Certain Persons and Companies in Matters to be Acted Upon

The Concerned Shareholders are not aware of any material interest, direct or indirect, of any Shareholders comprising them or of any member of the New Slate (or any associate or affiliate of such persons) in any matter to be acted on at the Meeting other than the election of directors, except as may otherwise be disclosed herein.

2. Indebtedness of Directors, Officers and Nominees

The Concerned Shareholders are not aware of any member of the New Slate (or any of their associates) which are (or which have been) indebted to the Corporation or any of its subsidiaries at any time since the beginning of the last completed financial year of the Corporation or which have indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

3. Interest of Informed Persons in Material Transactions

The Concerned Shareholders do not have, and are not aware of any member of the New Slate or any member of the Concerned Shareholders (or any of their associates or affiliates) who has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected (or would materially affect) the Corporation or any of its subsidiaries, except as otherwise disclosed herein.

4. Principal Holders of Voting Securities

To the knowledge of the individuals comprising the Concerned Shareholders, as of the date hereof, no person or company owned, directly or indirectly, or exercised control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

5. Information Regarding Certain Shareholdings

The following table indicates the number of Common Shares that director nominees comprising the New Slate beneficially own or over which they exercise control or direction as of the date hereof:

Name of Shareholder	Number of Common Shares Beneficially Owned or Controlled	% of Outstanding Common Shares¹
Mike Berry	500,000	0.49%
Mark Morabito	Nil	Nil
Nicholas Tintor	Nil	Nil
Alain Vachon	Nil	Nil
John Vettese	150,000	0.15%
Anthony Wonnacott	Nil	Nil

6. Additional Information

Except as otherwise provided herein and as is disclosed in the public record by the Corporation, information regarding executive compensation, management contracts, securities authorized for issuance under equity compensation plans and indebtedness of directors and executive officers of the Corporation is not known to the Concerned Shareholders and is not reasonably within the power of the Concerned Shareholders to obtain. As a result, as allowed by applicable securities laws, this information is not included in this Circular. The Corporation provided this information in connection with its solicitation of proxies for the Meeting in the Management Circular.

Additional information relating to the Corporation is available on www.sedar.com.

APPROVAL OF CIRCULAR

Information contained herein, unless otherwise indicated, is given as of the date hereof. The contents and sending of this Circular has been approved by the following persons, on behalf of the Concerned Shareholders.

Dated June 20, 2011.

"Mike Curtis"

Mike Curtis

"Robert Chalmers"

Robert Chalmers