

WESTSTAR RESOURCES CORP.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting (the “**Meeting**”) of the shareholders of **Weststar Resources Corp.** (the “**Company**”) will be held on Monday, October 1st, 2012 at Computershare, 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, at the hour of 11:30 a.m. (local time in Vancouver, B.C.) for the following purposes:

1. To receive the audited annual financial statements of the Company for its financial year ended December 31, 2011;
2. To determine the number of directors of the Company at five (5);
3. To elect the directors of the Company for the ensuing year;
4. To re-appoint Manning Elliott LLP, Chartered Accountants, as the Company’s auditor for the ensuing financial year and to authorize the directors to set the auditor’s remuneration;
5. To approve and ratify the Company’s 2010 Stock Option Plan; and
6. To approve the transaction of such other business as may properly come before the Meeting.

Accompanying this Notice of Meeting is an Information Circular and Instrument of Proxy. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. A Registered Shareholder who is unable to attend the Meeting in person is entitled to appoint a proxyholder to attend and vote in his stead. If you cannot be personally present, please refer to the notes accompanying the Instrument of Proxy enclosed and then complete and deposit the Instrument of Proxy with Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, Fax: Within North America: 1-866-249-7775, Outside North America: (416) 263-9524 within the time set out in the notes, as set out below.

The Instrument of Proxy must be signed by the Registered Shareholder or by his or her attorney authorized in writing, or, if the Registered Shareholder is a corporation, by an officer or director thereof as an authorized signatory. The completed Instrument of Proxy must be deposited at the office of Computershare Investor Services Inc. at least 48 hours before the time of the Meeting (excluding Saturdays, Sundays and holidays), or any adjournment thereof.

The enclosed Instrument of Proxy is solicited by management but you may amend it, if you so desire, by striking out the names of the management proxyholders shown and inserting in the space provided the name of the person you wish to represent you at the Meeting.

DATED at Port Moody, British Columbia, this 5th day of September, 2012.

BY ORDER OF THE BOARD

“William Rascan”

President

WESTSTAR RESOURCES CORP.

INFORMATION CIRCULAR

(containing information as of August 8th, 2012, unless otherwise stated)

INTRODUCTION

This Information Circular is furnished to you in connection with the solicitation of proxies by management of Weststar Resources Corp. (“we”, “us” or the “Company”) for use at the Annual General Meeting (the “Meeting”) of shareholders of the Company to be held on Monday, October 1, 2012 and at any adjournment of the Meeting. The Company will conduct its solicitation by mail and our officers, directors and employees may, without receiving special compensation, contact shareholders by telephone, electronic means or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse shareholders, nominees or agents (including brokers holding shares on behalf of clients) for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

APPOINTMENT OF PROXY HOLDER

The persons named as **proxy holders** in the enclosed form of proxy are the Company’s directors or officers. **As a shareholder, you have the right to appoint a person (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

VOTING BY PROXY

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxy holders discretionary authority regarding amendments or variations to matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Information Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgement.

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an “X” in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxy holders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Company’s registrar and transfer agent, Computershare Investor Services Inc., 3rd floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9 or to the Company’s head office at the address listed on the cover page of this Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment.

ADVICE TO NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on our records or validly appointed proxy holders are permitted to vote at the Meeting. Most of our shareholders are “non-registered” shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a “Nominee”). If you purchased your shares through a broker, you are likely a non-registered shareholder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as “NOBOs”. Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as “OBOs”.

In accordance with the securities regulatory policy, we will have distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular, and the form of proxy directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting materials sent to non-registered holders who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIF’s, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

REVOCATION OF PROXY

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

- a) signing a proxy bearing a later date; or
- b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company’s registrar and transfer agent or to the Company’s head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a VIF or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest,

direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of director, and the ratification and re-approval of the Company's 2010 stock option plan, approval of which will be sought at the Meeting. See "Particulars of Matters to be Acted Upon".

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Persons who are registered shareholders of common shares at the close of business on August 8, 2012, are entitled to receive notice of and to attend and vote at the Meeting or any adjournment of the Meeting (see "Voting of Shares and Proxies and Exercise of Discretion by Proxyholders" above).

The authorized capital of the Company consists of an unlimited number of common shares without par value. As of August 8, 2012, the Company had 24,133,492 common shares issued and outstanding.

To the knowledge of the directors and executive officers of the Company, the only person/corporation who holds, directly or indirectly, or exercises control or direction, over more than 10% of the issued and outstanding Common Shares, is as follows:

Name	Number of Voting Securities	Percentage
MINERA SIERRA DE ORO SA DE CV	2,650,000	10.98%

Approval of Resolutions

On a show of hands, every shareholder and proxy holder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each common share. To approve a motion for an ordinary resolution, a majority of the votes cast by shareholders in person or by proxy who vote in respect of that resolution will be required. To approve a motion for a special resolution, a majority of not less than two-thirds of the votes cast in person or by proxy by those shareholders who vote in respect of that resolution will be required.

EXECUTIVE COMPENSATION

Under this heading, the Company is including the disclosure required by Form 51-102F6 *Statement of Executive Compensation*.

As at December 31, 2011, the end of the most recently completed financial year of the Company, the Company had two Named Executive Officers, as defined below, Mitchell Adam, the President of the Company and J. Casey Forward, Chief Financial Officer of the Company.

The summary compensation table below sets out particulars of compensation paid to the following executive officers for services to the Company during the three most recently completed financial years:

- (a) the individual who served as our chief executive officer ("CEO") or acted in a similar capacity during the most recently completed financial year;
- (b) the individual who served as our chief financial officer ("CFO") or acted in a similar capacity during the most recently completed financial year;
- (c) each of our three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined by 1.3(6) of Form 51-102F6 and
- (d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year,

(each of whom is a “**Named Executive Officer**”).

Compensation Discussion and Analysis

The Board reviews and gives final approvals with respect to compensation paid to the Company’s Named Executive Officers. Because the Company is an early-stage exploration company, the Board does not feel that the Company’s size warrants a compensation committee to evaluate compensation.

The Company’s compensation objectives include the following:

- to assist the Company in attracting and retaining highly-qualified individuals;
- to create among directors, officers, consultants and employees a sense of ownership in the Company and to align their interests with those of the shareholders; and
- to ensure competitive compensation that is also financially affordable for the Company.

The compensation program is designed to provide competitive levels of compensation. The Company recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive’s level of responsibility. In general, the Company’s Named Executive Officers may receive compensation that is comprised of three components:

- salary, wages or contractor payments;
- stock option grants; and
- bonuses.

The objectives and reasons for this system of compensation are to allow the Company to remain competitive compared to its peers in attracting experienced personnel. The salaries are set on a basis of a review and comparison of salaries paid to executives at similar companies.

Stock option grants are designed to reward the Named Executive Officers for success on a similar basis as the shareholders of the Company, although the level of reward provided by a particular stock option grant is dependent upon the volatile stock market.

Any bonuses paid to the Named Executive Officers are allocated on an individual basis and are based on review by the Board of the work planned during the year and the work achieved during the year, including work related to mineral exploration, administration, financing, shareholder relations and overall performance. The bonuses are paid to reward work done above the base level of expectations set by the base salary, wages or contractor payments.

Mr. Adam and Mr. Forward received compensation by way of annual salaries and the issuance of stock options. This compensation was premised on the objective of retaining their services, motivating a high level of performance and rewarding them for their achievements and loyalty. All elements of compensation to both Named Executive Officers were approved by the Board and reflect each individual’s responsibilities to the Company.

Option-Based Awards

The Board believes that eligible persons working with the Company as Named Executive Officers, directors, consultants or employees should have a stake in the Company’s future and that their interests should be aligned with the interests of the shareholders. To this end, the Board determines the overall amount of stock option grants and reviews and recommends to the Board the allocation of such grants to directors, officers, consultants and employees, primarily based on whose decisions and actions can have the greatest impact on the Company’s performance.

These option-based awards are granted under the Company’s stock option plan. The Company considers previous grants of stock options when considering new grants. For information about the Company’s stock option plan, please see “Particulars of Matters to be Acted Upon”.

Summary Compensation Table

The following table is a summary of compensation paid to the Named Executive Officers for the financial years ended December 31, 2011, 2010 and 2009:

Name and principal position	Year	Salary (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans ⁽³⁾			
Mitchell Adam President	2011	120,000	N/A	Nil	N/A	N/A	N/A	Nil	120,000
	2010	140,000	N/A	Nil	N/A	N/A	N/A	Nil	140,000
	2009	120,000	N/A	Nil	N/A	N/A	N/A	Nil	120,000
Casey Forward CFO	2011	60,000	N/A	Nil	N/A	N/A	N/A	Nil	60,000
	2010	60,000	N/A	Nil	N/A	N/A	N/A	Nil	60,000
	2009 ⁽⁴⁾	65,000	N/A	10,875	N/A	N/A	N/A	Nil	75,875

- (1) Includes salary paid or accrued during the financial year.
- (2) The value of option-based awards is calculated using a Black-Scholes option pricing model and applying the following key inputs:
 - Risk-free rate: 1.37%
 - Expected dividend yield: Nil
 - Expected stock price volatility: 184%
 - Expected option life, based on terms of the grants: 2.0 years

Option pricing models require the input of highly subjective assumptions, particularly as to the expected volatility of the stock. Changes in these assumptions can materially affect the fair value estimate, and therefore it is management's view that the existing models may not provide a single reliable measure of the fair value of the Company's stock option grants. The Company uses an option-pricing model because there is no market for which employee options may be freely traded. Readers are cautioned not to assume that the value derived from the model is the value that an employee might receive if the options were freely traded, nor assume that these amounts are the same as those reported for income tax purposes.
- (3) LTIP or long term incentive plan means any plan that provides compensation intended to motivate performance to occur over a period greater than one financial year, but does not include option or stock appreciate right plans or plans to compensate through restricted shares or restrict share units.
- (4) Mr. Forward was appointed CFO on February 2, 2009.

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets out all option-based awards outstanding (no share-based awards are outstanding) as of December 31, 2011:

Name	Option-based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Mitchell Adam	18,750	1.68	August 22, 2013	Nil
	12,500	1.80	October 15, 2013	Nil
Casey Forward	Nil	N/A	N/A	Nil

- (1) Calculated using the closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") at December 31, 2011, being \$0.28.

Value Vested or Earned During the Year

The following table sets out the aggregate dollar value of incentive stock options that would have been realized if the options under the option-based award had been exercised on the vesting date for the Named Executive Officers during the most recently completed financial year ended December 31, 2011:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Mitchell Adam	Nil	N/A	N/A
Casey Forward	Nil	N/A	N/A

- (1) Prior to July 21, 2009, 25% of the options vested immediately and an additional 12.5% vested every quarter (three months) thereafter. On July 21, 2009, the Exchange accepted the Company's 2009 stock option plan, under which no vesting of stock options (except for in limited circumstances) is required.

Termination and Change of Control Benefits

The Company has not entered into any plans or arrangements in respect of remuneration received or that may be received by the Named Executive Officers in the Company's most recently completed financial year or current financial year in respect of compensating such officers or directors in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

Pension Plan Benefits

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Director Compensation

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the policies of the Exchange.

During the most recently completed financial year ended December 31, 2011, the directors who were not Named Executive Officers received the following compensation for services provided to the Company:

Name	Fees earned (\$) ⁽¹⁾	Share-based awards (\$)	Option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Nav Dhaliwal	84,000 ⁽³⁾	N/A	N/A	N/A	N/A	N/A	84,000
Thomas Clarke	54,000 ⁽⁴⁾	N/A	N/A	N/A	N/A	N/A	54,000
Patrick Morris	22,500 ⁽⁵⁾	N/A	N/A	N/A	N/A	N/A	22,500
David Michaud ⁽⁶⁾	Nil	N/A	N/A	N/A	N/A	N/A	Nil

- (1) Includes fees paid or accrued during the financial year.
- (2) Refer to discussion in footnote (2) in the “Summary of Compensation” table for Named Executive Officers for the method of determining the value of option-based awards.
- (3) Paid to RSD Capital Corp., a private company wholly owned by Mr. Dhaliwal.
- (4) Paid to Twillar Resources Limited, a private company wholly owned by Mr. Clarke.
- (5) Paid to Vimoris Ventures Inc., a private company wholly owned by Mr. Morris.
- (6) Mr. Michaud was appointed to the Board of Directors on May 31, 2011 and resigned on October 3, 2011.

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets out all option-based awards outstanding as of December 31, 2011 (no share-based awards are outstanding) to directors who were not Named Executive Officers:

Name	Option-based awards			
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Nav Dhaliwal	Nil	N/A	N/A	Nil
Thomas Clarke	Nil	N/A	N/A	Nil
Patrick Morris	Nil	N/A	N/A	Nil
David Michaud	Nil	N/A	N/A	Nil

- (1) Calculated using the closing price of the Company’s shares on the Exchange at December 31, 2011, being \$0.28.

Value Vested or Earned During the Year

The following table sets out the aggregate dollar value of incentive stock options that would have been realized if the options under the option-based award had been exercised on the vesting date for directors who were not Named Executive Officers during the most recently completed financial year ended December 31, 2011:

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nav Dhaliwal	Nil	N/A	N/A
Thomas Clarke	Nil	N/A	N/A
Patrick Morris	Nil	N/A	N/A
David Michaud	Nil	N/A	N/A

- (1) Prior to July 21, 2009, 25% of the options vested immediately and an additional 12.5% vested every quarter (three months) thereafter. On July 21, 2009, the Exchange accepted the Company’s 2009 stock option plan, under which no vesting of stock options (except for in limited circumstances) is required.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2011:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders (2010 Stock Option Plan)	56,252	\$1.73	2,357,097
Equity compensation plans not approved by securityholders	None	N/A	N/A
Total	56,252		2,357,097

For further information on the 2010 Stock Option Plan, refer to the heading "Approval and Ratification of 2010 Stock Option Plan."

AUDIT COMMITTEE

The Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* ("NI 52-110") under this heading. The Company is a "venture issuer" under NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110.

Audit Committee Charter

The Charter of the Company's audit committee is included as Schedule "A" to this Information Circular.

Composition of the Audit Committee

The Audit Committee is currently composed of the following three directors: William Rascan, Joseph Meagher and Keith Anderson. William Rascan and Joseph Meagher are executive officers of the Company and not considered to be independent. Keith Anderson is not an executive officer and therefore is considered to be independent. All three members are financially literate.

Relevant Education and Experience

All of the members of the Audit Committee are financially literate, in that they have the ability to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto. Additionally, all of the members of the Audit Committee have accounting or related financial experience and are able to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with international financial reporting standards. The Audit Committee met 4 times in the 2011 financial year.

External Auditor Service Fees by Category

Audit Fees and Audit-Related Fees

The aggregate fees billed/unbilled by the Company's external auditor for the financial year ended December 31, 2011 for audit and assurance and related services is approximately \$30,000.

The aggregate fees billed/unbilled by the Company's external auditor for the financial year ended December 31, 2010 for audit and assurance and related services is approximately \$30,000.

Tax Fees

The aggregate fees unbilled/billed for tax compliance, tax advice and tax planning services by the Company’s external auditor for the financial year ended December 31, 2011 were \$NIL.

The aggregate fees unbilled/billed for tax compliance, tax advice and tax planning services by the Company’s external auditor for the financial year ended December 31, 2010 were \$NIL.

All Other Fees

The aggregate fees billed by the Company’s external auditor for the financial year ended December 31, 2011 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were \$NIL.

The aggregate fees billed by the Company’s external auditor for the financial year ended December 30, 2010 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were \$NIL.

Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110, which exempts issuers whose shares are listed on the Exchange from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

CORPORATE GOVERNANCE

National Instrument 58-101 Disclosure of Corporate Governance Practices (“**NI 58-101**”) requires issuers to disclose their governance practices in accordance with NI 58-101. The Company is a “venture issuer” within the meaning of NI 58-101. A discussion of the Company’s governance practices within the context of NI 58-101 is set out below.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship that could, in the view of the Company’s Board of Directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Steven Feldman and Keith Anderson are “independent” directors in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to materially interfere with his ability to act within the best interests of the Company, other than the interests and relationships arising from his shareholdings. William Rascan and Joseph Meagher are also executive officers of the Company and are therefore not considered to be “independent”. Thomas Clarke receives remuneration from the Company and is therefore not considered independent.

The Board of Directors facilitates its exercise of independent supervision over management by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board of Directors believes that sufficient policies and procedures have been implemented to ensure that the directors exercise independent judgment in carrying out his responsibilities. Directors are required to be of sufficient stature and security of employment to express independent views on any matter.

Directorship

The directors of the Company are currently directors of the following other reporting issuers:

William Rascan	NY85 Capital Inc. Tasca Resources Ltd.
Joseph Meagher	NY85 Capital Inc. Tasca Resources Ltd.
Thomas Clarke	BonTerra Resources Inc.

	Clear Mountain Resources Corp.
Steven Feldman	N/A
Keith Anderson	NY85 Capital Inc.

Board Mandate

The Board does not have a written mandate. The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

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

Position Descriptions

The Board has not developed written position descriptions for the President and CEO of the Company or for the Chair of the Audit Committee. The size and nature of the Company's business allows each director or officer to understand his role in progressing the Company's operations.

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. Individual directors are responsible for maintaining their own education, skills and knowledge at an appropriate level. Board members are encouraged to attend educational courses or presentations in relation to the Company's projects or the industry within which the Company operates.

Ethical Business Conduct

The Board of Directors has not, to date, adopted a formal written Code of Ethical Business Conduct. The current limited size of the Company's operations, and the small number of officers and employees allow the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained. The Board is aware of the recommendation in National Policy 58-201 *Corporate Governance Guidelines* to adopt a written code of business conduct and ethics and is reviewing different standards that may be appropriate for the Company to adopt.

To date, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Under the corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. A director must disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The disclosure must be evidenced in writing by being included in the consent resolutions or minutes of the meeting that approved the transaction or in a written disclosure delivered to the Company's records office. Unless the director properly discloses his interest and has the transaction properly approved, he may be liable to account to the Company for any profit he makes as a result of the transaction, unless the court finds that the transaction was fair and reasonable to the Company. Once the appropriate disclosure has been made by the interested director, the transaction must be approved by the directors or by the shareholders by special resolution. An interested director would not be entitled to vote at meetings of directors which evoke any such conflict.

Nomination of Directors

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees to fill vacancies and for the next annual meeting the shareholders. The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives and a willingness to serve.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, this policy may be reviewed in the future depending on the circumstances of the Company.

Compensation

The Board periodically reviews the compensation paid to directors, management and other employees based on such factors as time commitment and level of responsibility, comparative fees paid by other companies in the industry in North America and the Company's current position as an exploration company with limited operating revenue.

The Board does not have a compensation committee, and these functions are currently performed by the Board as a whole. However, this policy may be reviewed in the future depending on the circumstances of the Company.

Other Board Committees

The Board of Directors has no other committees other than the Audit Committee.

Assessments

The Board of Directors conducts periodic assessments of its members including individual assessments to determine if the board, its committee and the individual directors are performing efficiently. Based on the Company's size, stage of development and the limited number of individuals on the Board of Directors, the Board considers a formal assessment process to be inappropriate at this time. As the activities of the Company develop, it will consider the establishment of more formal evaluation procedures, including more quantitative measures of performance.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the last completed financial year, no director, executive officer, or nominee for director of the Company or any of their associates has been indebted to the Company or any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of our last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of our subsidiaries.

An "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more

than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and executive officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

The Company's Board of Directors proposes to nominate the persons named in the table below for election as directors of the Company. Each director elected will hold office until the next annual general meeting of the Company or until his successor is duly elected or appointed, unless the office is earlier vacated in accordance with the Articles of the Company or the *Business Corporations Act* (British Columbia) (the "BCBCA") or he becomes disqualified to act as a director.

Management of the Company proposes that the number of directors for the Company be determined at five (5) for the ensuing year, subject to such increases as may be permitted by the Articles of the Company.

The following table sets out the names of management's nominees for election as directors, the jurisdiction in which each is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each has been a director of the Company, the respective principal occupations or employments during the past five years (if such nominee is not presently a director who was elected to his present term of office by a vote of shareholders) and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular.

Name, Jurisdiction of Residence and Position Held with the Company	Principal Occupation During the Past Five Years⁽¹⁾⁽²⁾	Director Since	Number of Shares Owned⁽¹⁾
William Rascan⁽³⁾ Coquitlam, British Columbia <i>President, Secretary and Director</i>	President and Director of the Company; Director of NY85 Capital Inc.; Director of Tasca Resources Ltd.; former Senior Investment Advisor at Northern Securities from 2008 to 2012; former Investment Advisor at Jennings Capital from 2005 to 2008.	May 16, 2012	48,000
Joseph Meagher⁽³⁾ Vancouver, British Columbia <i>Chief Financial Officer and Director</i>	CFO and Director of the Company; CFO & Director of Tasca Resources Ltd.; CFO and Director of NY85 Capital Inc.; Director of ICG Financial Services Inc.; Consultant to Innova Capital Corp.; former Manager to Smythe Ratcliffe LLP from 2005 to 2011	June 15, 2012	0
Thomas Clarke Vancouver, British Columbia <i>Director</i>	Director and Geologist of the Company; President and Director of Twillar Resources Ltd. and Drakensberg Capital; Director and Geologist of BonTerra Resources Inc. and Clear Mountain Resources; Director of Cardea Metals	September 13, 2010	37,200 ⁽⁴⁾
Steven Feldman Surrey, British Columbia <i>Director</i>	Director of the Company; former Manager of Investor Relations for SouthGobi Resources Ltd. From 2005 to 2012	May 16, 2012	0
Keith Anderson⁽³⁾ Coquitlam, British Columbia <i>Director</i>	Director of the Company; President and Director of NY85 Capital Inc.; former Investment Advisor at Canacord Genuity Corp. from 1987 to 2012	June 15, 2012	0

- (1) This information as to principal occupation and number of shares owned, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Unless otherwise stated above, any nominee named above not elected at the last annual general meeting has held the principal occupation or employment indicated for at least five years.
- (3) Member of the Audit Committee.
- (4) 19,200 of these shares are held directly and the remaining 18,000 are held indirectly in the name of Drakensberg Diamonds, a private company which is wholly owned and controlled by Thomas Clarke.

The Company has an Audit Committee, the members of which are indicated above.

Appointment and Remuneration of Auditor

Unless otherwise instructed, the proxies given in this solicitation will be voted for the re-appointment of Manning Elliott, of Vancouver, British Columbia, as auditors for the Company to hold office until the next annual general meeting, at a remuneration to be fixed by the directors.

Approval and Ratification of 2010 Stock Option Plan

The Company proposes to approve and ratify its current 10% "rolling" stock option plan dated August 16, 2010 (the "2010 Plan"). Under the policies of the TSX Venture Exchange (the "Exchange"), a rolling stock option plan must be re-approved on a yearly basis by shareholders. Accordingly, Shareholders will be asked to pass an ordinary resolution to approve and ratify the Company's 2010 Plan to accommodate the Exchange's policies governing stock option plans.

The 2010 Plan was established to provide incentive to employees, directors, officers, management companies and consultants who provide services to the Company. The intention of management in proposing the 2010 Plan is to increase the proprietary interest of such persons in the Company and thereby aid the Company in attracting, retaining and encouraging the continued involvement of such persons with the Company.

It is proposed that under the 2010 Plan, which will be subject to approval by the Exchange, the total number of common shares allotted and reserved for future issuance will be equivalent to 10% of the issued and outstanding share capital of the Company from time to time. The Company is presently classified as a Tier 2 Issuer by the Exchange.

A copy of the 2010 Plan will be available at the Meeting for review by the shareholders.

Particulars of the Plan

The following is a summary of the principal terms of the 2010 Plan.

The 2010 Plan provides that stock options may be granted to directors, senior officers, employees and consultants of the Company (and any subsidiary of the Company) and management company employees. For the purposes of the Plan, the terms "employees", "consultants" and "management company employees" have the meanings set out in Exchange Policy 4.4. In addition, the term "director" is defined in Exchange Policy 4.4 to include directors, senior officers and management company employees.

Under the 2010 Plan, the Company's board of directors (the "**Board**") may, from time to time, designate a director or other senior officer or employee of the Company as administrator (the "**Administrator**") for the purposes of administering the 2010 Plan. The Administrator will be Mr. Joseph Meagher.

The 2010 Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the issued and outstanding common shares of the Company (subject to standard anti-dilution adjustments). If a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares reserved for issuance under that expired or terminated stock option will again be available for the purposes of the 2010 Plan. Any stock options outstanding when the 2010 Plan is terminated will remain in effect until it is exercised or it expires.

The 2010 Plan provides that it is solely within the discretion of the Board to determine who should receive stock options and in what amounts, subject to the following conditions:

- (a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death;
- (b) options may be exercisable for a maximum of ten years from the date of grant;
- (c) options to acquire no more than 5% of the issued shares of the Company may be granted to any one individual in any 12 month period;
- (d) options to acquire no more than 2% of the issued shares of the Company may be granted to any one consultant in any 12 month period;
- (e) options to acquire no more than an aggregate of 2% of the issued shares of the Company may be granted to an employee conducting Investor Relations Activities (as defined in Exchange Policy 1.1), in any 12 month period;
- (f) options held by an option holder who is a director, employee, consultant or management company employee must expire within one year after the option holder ceases to be a director, employee, consultant or management company employee, which time period the Company determines is reasonable, except for certain circumstances, where the options held by an option holder will cease on the day such holder ceases to be eligible under the 2010 Plan; and
- (g) in the event of an option holder's death, the option holder's personal representative may exercise any portion of the option holder's vested outstanding options for a period of one year following the option holder's death.

The 2010 Plan provides that other terms and conditions may be attached to a particular stock option, such terms and conditions to be referred to in a schedule attached to the option certificate. Stock options granted to directors, senior officers, employees or consultants will not vest when granted unless otherwise determined by the Board on a case by case basis. Stock options granted to consultants performing Investor Relations Activities, will vest in stages over 12 months with no more than ¼ of the options vesting in any three month period.

In addition, under the 2010 Plan a stock option will expire immediately in the event a director or senior officer ceases to be a director or senior officer of the Company as a result of: (a) ceasing to meet the qualifications under the BCBCA; (b) the passing of a special resolution by the shareholders; or (c) an order made by a regulatory authority. A stock option will also expire immediately in the event an employee ceases to be an employee as a result of termination for cause or an employee or consultant ceases to be an employee or consultant as a result of an order made by a regulatory authority.

The price at which an option holder may purchase a common share upon the exercise of a stock option will be as set forth in the option certificate issued in respect of such option and in any event will not be less than the discounted market price of the Company's common shares as of the date of the grant of the stock option (the "Award Date"). The market price of the Company's common shares for a particular Award Date will typically be the closing trading price of the Company's common shares on the day immediately preceding the Award Date, or otherwise in accordance with the terms of the 2010 Plan. Discounted market price means the market price less a discount of up to 25% if the market price is \$0.50 or less; up to 20% if the market price is between \$2.00 and \$0.51; and up to 15% if the market price is greater than \$2.00.

In no case will a stock option be exercisable at a price less than the minimum prescribed by each of the organized trading facilities or the applicable regulatory authorities that would apply to the award of the stock option in question.

The 2010 Plan also provides that: (a) disinterested shareholder approval will be obtained for any reduction in the exercise price of an option held by an insider of the Company; and (b) options cannot be granted to employees, consultants or management company employees that are not bona fide employees, consultants or management company employees, as the case may be.

Common shares will not be issued pursuant to stock options granted under the 2010 Plan until they have been fully paid for by the option holder. The Company will not provide financial assistance to option holders to assist them in exercising their stock options.

Shareholder Approval

In order to exercise stock options granted under the 2010 Plan, the 2010 Plan must first be accepted by the Exchange. In order to obtain Exchange acceptance, the Exchange requires that “rolling” stock option plans receive shareholder approval at a company’s annual general meeting.

For these reasons and also to ensure that the 2010 Plan is acceptable to the Company’s shareholders, the directors of the Company will ask the shareholders to re-approve and ratify the 2010 Plan at the Meeting.

Accordingly, the shareholders will be asked to consider and, if thought fit, pass the following ordinary resolution.

“Resolved that, subject to TSX Venture Exchange (the “**Exchange**”) approval:

1. The Company approve and ratify its 2010 Stock Option Plan (the “**2010 Plan**”), including the reserving for issuance under the 2010 Plan at any time of a maximum of 10% of the issued common shares of the Company;
2. The Company is authorized to grant stock options under the 2010 Plan, in accordance with its terms;
3. The Company is authorized to prepare such disclosure documents and make such submissions and filings as the Company may be required to make with the Exchange to obtain Exchange acceptance of the 2010 Plan; and

Authority is granted to the Board of Directors of the Company to make such amendments to the 2010 Plan as are required by the Exchange to obtain Exchange acceptance of the 2010 Plan.”

Pursuant to the Board's authority to govern the implementation and administration of the 2010 Plan, all previously granted and outstanding stock options shall be governed by the provisions of the 2010 Plan.

Management recommends, and the persons named in the enclosed form of proxy intend to vote in favour of the approval of the 2010 Plan.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Financial information is provided in the Company’s financial statements and management’s discussion and analysis (“**MD&A**”) for the most recently completed financial year.

The Company will provide to any securityholder upon request, copies of the Company’s financial statements and MD&A for the most recently completed financial year. Please direct your request to the Company at Suite 2606, 400 Capilano Road, Port Moody, British Columbia, V3H 0E1.

DIRECTOR APPROVAL

The contents of this Circular and the sending thereof to the Shareholders of the Company have been approved by the Board of Directors.

DATED at Port Moody, British Columbia, this 5th day of September, 2012.

ON BEHALF OF THE BOARD

“William Rascan”
President

**SCHEDULE “A”
AUDIT COMMITTEE CHARTER**

1.0 Purpose of the Committee

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company’s financial statements and other relevant public disclosures, the Company’s compliance with legal and regulatory requirements relating to financial reporting, the external auditors’ qualifications and independence and the performance of the internal audit function and the external auditors.

2.0 Members of the Audit Committee

2.1 At least one Member must be “financially literate” as defined under MI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of the accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

2.2 The Audit Committee shall consist of no less than three Directors.

2.3 At least one Member of the Audit Committee shall be “independent” as defined under MI 52-110, while the Company is in the developmental stage of its business.

3.0 Relationship with External Auditors

3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4 The Audit Committee will have direct communications access at all times with the external auditors.

4.0 Non-Audit Services

4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services, outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:

- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
- (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

5.0 Appointment of Auditors

5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

6.0 Evaluation of Auditors

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

7.0 Remuneration of the Auditors

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

8.0 Termination of the Auditors

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

9.0 Funding of Auditing and Consulting Services

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

10.0 Role and Responsibilities of the Internal Auditor

10.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company shall be responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

11.0 Oversight of Internal Controls

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

12.0 Continuous Disclosure Requirements

12.1 At this time, due to the Company's size and limited financial resources, the Chief Financial Officer of the Company is responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

13.0 Other Auditing Matters

13.1 The Audit Committee may meet with the external auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

14.0 Annual Review

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

15.0 Independent Advisers

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.