

# CCT CAPITAL LTD.

## INFORMATION CIRCULAR

### FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON MONDAY, OCTOBER 15, 2012

This information is given as of August 31, 2012 unless otherwise noted.

#### SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of CCT CAPITAL LTD. (the “**Company**”) for use at the Annual General Meeting (the “**Meeting**”) of the shareholders of the Company, to be held on Monday, October 15, 2012 at the time and location and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

#### PERSONS OR COMPANIES MAKING THE SOLICITATION

**The enclosed instrument of Proxy is solicited by Management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of Proxy are directors or officers of the Company. Only registered shareholders will receive a Proxy (“**Registered Shareholder**”). Non-Registered Shareholders will receive a Voting Instruction Form and is discussed further under the heading “**Non-Registered Holders**” below.

**A Registered Shareholder has the right to appoint a person to attend and act for him on his or her behalf at the Meeting other than the persons named in the enclosed instrument of Proxy, should he or she wish to do so. To exercise this right, the Registered Shareholder shall strike out the names of the persons named in the Proxy and insert the name of his or her nominee in the blank space provided, or complete another Proxy. The completed Proxy should be deposited with the Company’s Registrar and Transfer Agent, Computershare Trust Company of Canada, Proxy Dept, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 1Y1, at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays and holidays.**

The Proxy must be dated and be signed by the Registered Shareholder or by his or her attorney in writing, or if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

**In addition to revocation in any other manner permitted by law, a Registered Shareholder may revoke a Proxy either by (a) signing a Proxy bearing a later date and depositing it at the place and within the time aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the Proxy is required to be executed as set out in the notes to the Proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a Registered Shareholder present in person, whereupon such Proxy shall be deemed to have been revoked.**

## NON-REGISTERED HOLDERS

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the common shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the common shares.** More particularly, a person is not a Registered Shareholder in respect of common shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the common shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans); or (b) in the name of a clearing agency of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms).

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBO’s**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBO’s**”.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has elected to send the Notice of Meeting, this Information Circular and the Proxy (collectively, the “**Meeting Materials**”) directly to the NOBO’s, and indirectly through Intermediaries to the OBO’s. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

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**”). The VIF 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 how to vote on behalf of the Non-Registered Shareholder. VIF’s, whether provided by the Company or by an Intermediary, 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 common 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 or 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 or 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.**

All references to shareholders in this Information Circular and the accompanying instrument of Proxy and Notice of Meeting are to Registered Shareholders unless specifically stated otherwise.

## VOTING OF SECURITIES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of Proxy will vote the common shares in respect of which they are appointed and where directions are given by the shareholder in respect of voting for or against any resolution will do so in accordance with such direction.

**In the absence of any direction in the Proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this Information Circular.** The instrument of Proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters, which may properly be brought before the Meeting. At the time of printing of this Information Circular, Management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters, which are not now known to the Management, should properly come before the Meeting, the Proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular, none of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or senior officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, save and except for those matters pertaining to incentive stock options.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value ("**Common Shares**"). At the close of business on August 31, 2012, (the "**Record Date**" of the Meeting), 12,030,000 Common Shares were issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and on a poll, every shareholder shall have one vote for each share of which he is the holder.

Only shareholders of record on the close of business on the Record Date, who either personally attend the Meeting or who complete and deliver an instrument of Proxy in the manner and subject to the provisions set out under the heading "**Appointment and Revocation of Proxies**" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and senior officers of the Company, no one shareholder owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, except for Mr. Laurie Sadler who holds 2,150,000 shares, representing 17.87% of the Company's outstanding shares. Management understands that the shares registered in the name of CDS & Co. are beneficially owned through various dealers and other intermediaries on behalf of their clients and other parties. The names of the beneficial owners of such shares are not known to the Company.

The above information was provided by management of the Company and the Company's registrar and transfer agent as of August 31, 2012.

## INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

None of the directors or senior officers of the Company or any associates or affiliates of the Company are or have been indebted to the Company at any time since the beginning of the last completed financial year of the Company.

## STATEMENT OF EXECUTIVE COMPENSATION

In this section "**Named Executive Officer**" means (a) the Chief Executive Officer (or an individual who acted in a similar capacity), (b) the Chief Financial Officer (or an individual who acted in a similar capacity), (c) each of the Company's three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000), and (d) any additional individuals whose total salary and bonus exceeded \$150,000 during the year ended April 30, 2012. The Company presently has two Named Executive Officers, namely Laurie Sadler, Chief Executive Officer ("**CEO**") and President, and Kim Evans, the Chief Financial Officer ("**CFO**") and Secretary.

*All currency references are expressed in Canadian Dollars unless otherwise specified.*

### Compensation Discussion and Analysis

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. Compensation for this fiscal year and prior fiscal years have historically been based upon a negotiated fee, with stock options and bonuses potentially being issued and paid as an incentive for performance. The Company does not presently have a long-term

incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program.

The Company has in place a consulting agreement with Time Out Holdings Inc. ("**Time Out**"), a company beneficially owned by Laurie Sadler, one of the Named Executive Officers, whereby the Company has agreed to pay the sum of \$3,000 per month to Time Out for providing financial and administrative services to the Company. See "**Summary Compensation Table**" below for details relating to the payments made to Time Out during the Company's completed financial year ended April 30, 2012.

The Company has a Compensation Committee presently comprised of Len Dennis and Jeffrey Lightfoot. Responsibility for the review and determination of compensation of the Company's executive officers has been delegated to this committee.

### Option-based Awards

Shareholders have approved a stock option plan pursuant to which the Company's board of directors (the "**Board**") has granted stock options to executive officers. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the shareholders. In determining the number of options to be granted to the executive officers, the Board and the Compensation Committee takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange ("**TSXV**").

The Company did not grant any stock options to its Named Executive Officers during the financial year ended April 30, 2012. See "**Incentive Plan Awards**" below for details of the option-based awards outstanding as at April 30, 2012, for each of the Named Executive Officers.

### Summary of Compensation

The following table sets forth all annual and long term compensation for services paid to or earned by the Named Executive Officers for the two most recently completed financial years ended April 30, 2012.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive Plan contribution (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-term incentive plans (\$)			
Laurie Sadler CEO and President	2012	nil	n/a	nil	nil	nil	nil	43,200 <sup>1</sup>	43,200 <sup>1</sup>
	2011	nil	n/a	nil	nil	nil	nil	45,325 <sup>1</sup>	45,325 <sup>1</sup>
Kim Evans CFO and Secretary	2012	nil	n/a	nil	nil	nil	nil	7,200 <sup>2</sup>	7,200 <sup>2</sup>
	2011	nil	n/a	nil	nil	nil	nil	9,325 <sup>2</sup>	9,325 <sup>2</sup>

1. Paid to Time Out Holdings Inc., a private company controlled by Laurie Sadler, for management services.
2. Paid for administration and accounting services.

### Long Term Incentive Plan (LTIP) Awards

The Company does not have any long term incentive plans and, save as disclosed above, no remuneration payments were made, directly or indirectly, by the Company to its Named Executive Officers during the fiscal year ended April 30, 2012.

An LTIP means "any plan providing compensation intended to serve as an incentive for performance to occur over a period longer than one fiscal year whether performance is measured by reference to financial performance of the Corporation or an affiliate or the price of the Corporation's shares but does not include option or stock appreciation rights plans or plans for compensation through restricted shares or units".

## Incentive Plan Awards

The Company does not currently have a share-based awards program.

The Company currently has in place a “**rolling**” stock option plan for the purpose of attracting and motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such person with the opportunity to acquire an equity interest in the Company through rights granted under the plan to purchase shares of the Company. See “**Particulars of Other Matters to be Acted Upon – Ratification of Stock Option Plan**” below for details relating to the Company’s existing stock option plan.

The following table discloses the particulars of the option-based awards granted to the Named Executive Officers under the Company’s stock option plan as at April 30, 2012:

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In- the-Money Options <sup>1</sup> (\$)
Laurie Sadler	80,000	0.28	Sept.17/12	nil
	226,500	0.10	Aug.24/11	nil
Kim Evans	50,000	0.28	Sept.17/12	nil

1. “**In-the-Money Options**” means the excess of the market value of the Company’s shares on April 30, 2012 over the exercise price of the options. The last trading price of the Company’s shares on or before April 30, 2012 was \$0.115 (April 16, 2012).

### *Incentive Plan Awards - Value Vested or Earned During the Year*

No options were granted during the most recently completed financial year, and as such there was no value vested or earned during the most recently completed financial year with respect to incentive plan awards granted to Directors who are not NEOs.

There were no repricings of stock options under the stock option plan or otherwise during the Company’s completed financial year ended April 30, 2012.

## Pension Plan Benefits

The Company does not have any pension or retirement plan.

## Defined Benefit or Actuarial Plan

The Corporation does not have a defined benefit or actuarial plan.

## Termination and Change of Control Benefits

Except as otherwise disclosed herein, there are no compensatory plans, contracts or arrangements in place with the Named Executive Officer resulting from the resignation, retirement or any other termination of employment of the Named Executive Officer with the Company or from a change in control of the Company or a change in the Named Executive Officer’s responsibilities following a change in control, where in respect of the Named Executive Officer the value of such compensation exceeds \$50,000.

## Compensation of Directors

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company for their services in their capacity as directors, or for committee participation. However, during the financial year ended April 30, 2012, the Company paid legal fees of \$29,722 to Maitland & Company, a legal firm of which Jeffrey Lightfoot, a director of the Company, is a partner.

Compensation for the Named Executive Officers has been disclosed in the “**Summary Compensation Table**” above. The following table discloses the particulars of the compensation provided to the directors of the Company (not including the Named Executive Officers) for the financial year ended April 30, 2012:

Name and Principal Position	Fiscal Year Ended Apr 30	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options Granted (#)	Restricted Shares or Units (\$)	LTIP Payouts (\$)	
<b>Leonard Dennis</b> <i>Director</i>	2012	nil	nil	nil	nil	nil	nil	nil
<b>Jeffrey Lightfoot</b> <i>Director</i>	2012	nil	nil	nil	nil	nil	nil	29,722 <sup>1</sup>

1. Fees paid for legal services to a firm of which Mr. Lightfoot is a partner.

The Company did not grant any stock options to its directors during the financial year ended April 30, 2012. The following table discloses the particulars of the option-based awards outstanding to the directors (who are not Named Executive Officers) under the Company’s stock option plan as at April 30, 2012:

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options <sup>1</sup> (\$)
Leonard Dennis	50,000	0.28	Sept.17/12	nil
Jeffrey B. Lightfoot	50,000	0.28	Sept.17/12	nil
	50,000	0.10	Aug.24/11	750

1. “**In-the-Money Options**” means the excess of the market value of the Company’s shares on April 30, 2012 over the exercise price of the options. The last trading price of the Company’s shares on or before April 30, 2012 was \$0.115 (April 16/12).

#### *Incentive Plan Awards - Value Vested or Earned During the Year*

No options were granted during the most recently completed financial year, and as such there was no value vested or earned during the most recently completed financial year with respect to incentive plan awards granted to Directors who are not NEOs.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

As of the financial year ended April 30, 2012, the Company’s Stock Option Plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Company’s Stock Option Plan as at the year ended April 30, 2012.

Plan category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of Outstanding options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	606,500	\$0.20	596,500 <sup>1</sup>
Equity compensation plans not approved by securityholders	n/a	n/a	n/a
<i>Total</i>	606,500		596,500 <sup>1</sup>

1. This figure is based on the total number of shares authorized for issuance under the Company's Stock Option Plan, less the number of stock options outstanding as at the Company's year ended April 30, 2012. As at April 30, 2012, the Company was authorized to issue a total of 1,203,000 stock options.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries other than as set out herein. The term "**informed person**" as defined in National Instrument 51-102 *Continuous Disclosure Obligations* means a director or executive officer of the Company, or 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 carrying more than 10% 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.

### MANAGEMENT CONTRACTS

Except as otherwise disclosed in this Information Circular, management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted.

### AUDIT COMMITTEE

Pursuant to the provisions of section 224 of the *Business Corporations Act* of British Columbia, the Company is required to have an Audit Committee comprised of at least three directors, the majority of whom must not be officers or employees of the Company.

The Company must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* ("NI 52-110"), have a written charter which sets out the duties and responsibilities of its audit committee. In providing the following disclosure, the Company is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

#### Audit Committee's Charter

##### *Mandate*

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at

all levels. The Audit Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control systems and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### *Composition*

The Audit Committee is to be comprised of at least three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would reasonably interfere with the exercise of his or her independent judgment as a member of the Audit Committee. At least one member of the Audit Committee should have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of "**financially literate**" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements. The members of the Audit Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting.

#### *Meetings*

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

#### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Audit Committee shall:

##### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

##### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.



- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of fees paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (iii) such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee. Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

#### *Financial Reporting Processes*

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

*Other*

Review any related-party transactions.

**Composition of the Audit Committee**

The following are the members of the Audit Committee:

Kim Evans	Not Independent <sup>1</sup>	Financially literate <sup>1</sup>
Leonard Dennis	Independent <sup>1</sup>	Financially literate <sup>1</sup>
Jeffrey Lightfoot	Not Independent <sup>1</sup>	Financially literate <sup>1</sup>

1. As defined by NI 52-110.

Kim Evans is considered not independent by virtue of her being the CFO of the Company. Jeff Lightfoot is considered not independent by virtue of his receiving fees for legal services provided to the Company. The Company recognizes that its Audit Committee is not properly constituted at the present time and will take steps to remedy the situation.

**Relevant Education and Experience**

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

*Kim Evans* – Ms. Evans is a Certified General Accountant. Ms. Evans has acted as a director, officer of junior public companies for many years and has substantial audit committee experience.

*Leonard Dennis* – Mr. Dennis has 35 years experience with the CHC Helicopter Corporation. He specializes in Global Operations and has an extensive back ground providing services to the oil and gas and mining sectors. For the past 20 years he has served as a senior officer, director, audit committee member and consultant to several resource based public companies.

*Jeffrey Lightfoot* – Mr. Lightfoot is a lawyer specializing in securities law issues, with a focus on junior companies listed on the TSX Venture Exchange. Mr. Lightfoot has also acted as a director, officer and audit committee member of a number of junior public companies for many years.

**Audit Committee Oversight**

At no time since the commencement of the Company's most recent completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

**Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

**Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "**External Auditors**".

**External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees <sup>1</sup>	Tax Fees <sup>2</sup>	All Other Fees <sup>3</sup>
2012	\$12,000 <sup>4</sup>	Nil	\$975 <sup>4</sup>	Nil
2011	\$11,220	Nil	\$975	Nil

1. Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under “**Audit Fees**”.
2. Fees charged for tax compliance, tax advice and tax planning services.
3. Fees for services other than disclosed in any other column.
4. Estimated fees for the financial year ending April 30, 2012.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Policy 58-101 *Disclosure of Corporate Governance Practices* (“**NP 58-101**”) the Company is required to disclose its corporate governance practices, as summarized below. The Board of Directors will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

### Board of Directors

The Board of Directors is currently composed of four (4) directors, Ms. Kim Evans and Messrs. Leonard Dennis, Jeffrey Lightfoot and Laurie Sadler.

NP 58-101 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “**independent**” directors. An “**independent**” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director’s ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-101 suggests that the board of directors should include a number of directors who do not have interests in either the company or the significant shareholder. Of the proposed nominees of the Company, only Leonard Dennis is considered by the Board of Directors to be “**independent**” within the meaning of NP 58-101. Laurie Sadler (CEO and President) and Kim Evans (CFO and Secretary) are management directors and accordingly are considered to be “**non-independent**”. Jeffrey Lightfoot is also considered to be “**non-independent**” because he receives fees for legal services provided to the Company.

### Directorships

The following directors of the Company also serve as directors of other reporting issuers:

Director	Other Reporting Issuer	Name of Exchange or Market (if applicable)
Laurie Sadler	Donner Metals Ltd.	TSX Venture
Kim Evans	Golden Reign Resources Ltd. Lorraine Copper Corp. Lysander Minerals Corporation	TSX Venture TSX Venture TSX Venture
Len Dennis	Golden Reign Resources Ltd. PMI Ventures Ltd.	TSX Venture TSX Venture

Director	Other Reporting Issuer	Name of Exchange or Market (if applicable)
Jeffrey Lightfoot	Playfair Mining Ltd. Benzai Capital Corp. Fuller Capital Corp.	TSX Venture NEX TSX Venture

### Orientation and Continuing Education

Each new director is given an outline of the nature of the Company's business, its corporate strategy, and current issues within the Company. New directors are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

In addition, management of the Company takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. The Company continually reviews the latest securities rules and policies and is on the mailing list of the TSX Venture Exchange to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Company's directors either by way of director or committee meetings or by direct communications from management to the directors.

### Ethical Business Conduct

The Board of Directors has adopted a written Code of Ethical Conduct (the "**Code**") for its directors, officers and employees. As one measure to ensure compliance with the Code, the Board of Directors has also established a Whistleblower Policy which details complaint procedure for financial concerns. The full text of these standards is available free of charge to any person upon request to the Company at Suite 501 – 595 Howe Street, Vancouver, BC, V6C 2T5 (Telephone: 604-685-4655).

In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board of Directors must comply with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

### Nomination of Directors

The Company's management is continually in contact with individuals involved in the mineral exploration industry and public sector resource issuers. From these sources the Company has made numerous contacts and in the event that the Company were in a position to nominate any new directors, such individuals would be brought to the attention of the Board of Directors. The Company conducts the due diligence, reference and background checks on any suitable candidate. 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 and a willingness to serve.

### Compensation

The Board of Directors has the responsibility for determining the compensation of the Company's Chief Executive Officer and does so with reference to industry standards and the Company's financial situation. The Board of Directors has the responsibility for determining the compensation of the directors who currently are not compensated in their capacity as directors but do receive stock options.

### Other Board Committees

The Company currently has an Audit Committee, Compensation Committee and Corporate Governance Committee in place.

## Assessments

Being a venture issuer with limited administration resources, the Board of Directors work closely with management and, accordingly, are in a position to assess individual director's performance on an ongoing basis.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### A. Election of Directors

Although Management is only nominating four (4) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by Proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director 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 and Residence of Proposed Director and President Offices Held	Date Elected or Appointed	Principal Occupation	Number of Shares <sup>1</sup>
<b>LAURIE SADLER</b> White Rock, BC <i>Chief Executive Officer, President and Director</i>	April 13, 2006	Retired Chartered Accountant. Prior to retiring in 2001, founder and managing director of the firm of Sadler, Weismiller, Spencer, Chartered Accountants.	2,150,000
<b>KIM EVANS<sup>2</sup></b> North Vancouver, BC <i>Chief Financial Officer and Director</i>	April 13, 2006	Certified General Accountant. CFO and director of Golden Reign Resources Ltd. (since April 2004); Corporate Secretary (since June 2002) and CFO (since November 2007) of Lysander Minerals Corporation.	550,000
<b>LEONARD DENNIS<sup>2</sup></b> White Rock, BC <i>Director</i>	April 13, 2006	Manager, Partnerships & Leases of CHC Global Operations International and prior to that Director of Business Development since May 1975.	542,000
<b>JEFFREY LIGHTFOOT<sup>2</sup></b> Richmond BC <i>Director</i>	April 13, 2006	Partner with the law firm of Maitland & Company; Director of several companies listed on the TSX Venture Exchange.	150,000

1. Information as to voting shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
2. Member of Audit Committee.

The above information was provided by Management of the Company.

Except as stated below, no proposed director:

- (a) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity,
    - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
    - (ii) was the subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
    - (iii) 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
  - (b) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.
- Ms. Evans was an officer of Camden Capital Corp. (now named Superior Canadian Resources Ltd.) which was suspended from trading on the TSX Venture Exchange (the “**Exchange**”) from July 31, 2003 to April 6, 2004 for failure to complete a Qualifying Transaction within 18 months of listing.
  - Jeff Lightfoot was a director of Avani International Group Inc. (OTCBB) when on March 2, 2009 the B.C. Securities Commission issued a cease trade order for failure to file financial statements when required, which cease trade order has not been revoked. Mr. Lightfoot resigned from Avani on November 23, 2010.
  - Jeff Lightfoot was a director of Benzai Capital Corp. (TSXV) when on November 5, 2010 the B.C. Securities Commission issued a cease trade order for failure to file financial statements when required, which cease trade order was revoked on July 8, 2011.
  - Mr. Sadler was a director of Crocotta Energy Inc. (formerly Donner Petroleum Ltd.) when on July 13, 2006 the B.C. Securities Commission issued a cease trade order for failure to file financial statements when required, which cease trade order was revoked October 17, 2006.

In addition, no proposed director 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 or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulating authority that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The directors and officers of the Company as a group beneficially own, directly or indirectly, an aggregate of approximately 3,392,000 common shares, which together represent approximately 28% of the total votes attached to the issued and outstanding shares of the Company.

#### B. **Appointment of Auditor**

The persons named in the enclosed instrument of Proxy will vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP (“**DMCL**”), Chartered Accountants, of #1550 - 1140 West Pender Street, Vancouver, BC, as auditor of the Company for the ensuing year, until the close of the next annual general meeting of the shareholders at a remuneration to be fixed by the directors. DMCL was first appointed to the position of auditor of the Company on May 5, 2006.

C. **Ratification of Stock Option Plan**

The Company presently has in place a “**rolling**” stock option plan (the “**Plan**”), first implemented May 9, 2006, whereby the Company is authorized to grant stock options of up to 10% of its issued and outstanding shares, from time to time. The TSX Venture Exchange (the “**TSX.V**”) requires listed companies who have “**rolling**” stock option plans in place to receive shareholder approval to such plan on a yearly basis at the Company’s annual general meeting. As such, the directors of the Company wish to ratify and approve the Plan.

The material terms of the Plan are as follows:

1. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
2. The exercise price of any options granted under the Plan will be determined by the board of directors, in its sole discretion, but shall not be less than the closing price of the Company’s common shares on the day preceding the day on which the directors grant such options, less any discount permitted by the TSX.V to a minimum of \$0.10 per share.
3. No vesting requirements will apply to options granted thereunder, save for options granted to an employee performing investor relations activities for the Company.
4. All options will be non-assignable and non-transferable.
5. No more than (i) 5% of the issued shares may be granted to any one individual in any 12 month period; and (ii) no more than 2% of the issued shares may be granted to a consultant, or an employee performing investor relations activities, in any 12 month period.
6. If the option holder ceases to be a director of the Company (other than by reason of death), then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director of the Company, subject to the terms and conditions set out in the Plan. If the option holder ceases to be an employee, consultant or management company employee of the Company (other than by reason of death), then the option granted shall expire on no later than the 30th day following the date that the option holder ceases to be employed or contracted by the Company, subject to the terms and conditions set out in the Plan.
7. Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the option holder is an insider; (ii) any grant of options to insiders, within a 12 month period, exceeding 10% of the Company’s issued shares; and (iii) any grant of options to any one individual, within a 12 month period, exceeding 5% of the Company’s issued shares.
8. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company’s common shares.
9. The board of directors may make certain amendments to the Plan or any option without shareholder approval. The directors have the authority to make changes such as: amendments for the purpose of meeting any changes in any relevant law, rule or regulation applicable to the Plan; a change to the vesting provisions of an option; a change to the termination provisions of an option which does not entail an extension beyond the original expiry date; and reduce the exercise price of an option for an optionee who is not an insider. Amendments which reduce the exercise price or extend the term of an option held by an insider will require approval of the shareholders and the TSX.V.

The Plan is subject to receipt of annual TSX.V acceptance to its filing. Shareholders will be asked to consider, and if thought fit to approve a resolution ratifying and approving the Company’s existing Plan.

Reference should be made to the full text of the Plan which will be made available at the offices of Maitland & Company, #700 - 625 Howe Street, Vancouver, BC, V6C 2T6, until the business day immediately preceding the date of the Meeting.

#### **OTHER MATTERS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the instrument of Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Company's audited financial statements and management discussion and analysis ("MD&A") for the fiscal year ended April 30, 2012 is available for review under the Company's profile on SEDAR. A copy of these financial statements and MD&A have also been mailed out to those shareholders who returned the Company's Financial Statement Request Form provided with the Company's 2010 annual general meeting material, in accordance with National Instrument 51-102 "**Continuous Disclosure Obligations**". Shareholders may contact the Company to request copies of the financial statements and MD&A by: (i) mail to Suite 501 – 595 Howe Street, Vancouver, BC, V6C 2T5; or (ii) fax to (604) 685-4675.

#### **APPROVAL**

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

**DATED** at Vancouver, British Columbia, the 31st day of August, 2012.

#### **BY ORDER OF THE BOARD**

***"Laurie Sadler"***

President