

TRUECLAIM EXPLORATION INC.

575 – 510 Burrard Street
Vancouver, BC V6C 3A8

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON SEPTEMBER 26, 2013**

AND

INFORMATION CIRCULAR

August 27, 2013

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.

TRUECLAIM EXPLORATION INC.

575 – 510 Burrard Street
Vancouver, BC V6C 3A8
Telephone: (604) 662-3230

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of Trueclaim Exploration Inc. (the “**Company**”) will be held at 900 - 885 West Georgia Street, Vancouver, BC, on Thursday, September 26, 2013, at the hour of 10:00 am (Vancouver time) for the following purposes:

- (1) to set the number of directors of the Company for the ensuing year at five (5) persons;
- (2) to elect Byron K. Coulthard, John Carter, Gerry R. LeFevre, Troy Nikolai and Brian Larson as directors of the Company to hold office until the next annual general meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company’s constating documents;
- (3) to appoint A Chan and Company, Chartered Accountants, as the auditors of the Company for the fiscal year ending December 31, 2013;
- (4) to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2013;
- (5) to receive the audited financial statements of the Company for the financial year ended December 31, 2012, and the accompanying report of the auditors;
- (6) to consider and, if thought fit, to approve an ordinary resolution to re-approve the Company’s Stock Option Plan, as described in the Information Circular accompanying this Notice of Meeting;
- (7) to consider and, if thought fit, to approve a special resolution approving the consolidation of the issued and outstanding common shares of the Company on a one (1) for two (2) basis;
- (8) to consider and, if thought fit, to approve a special resolution approving the consolidation of the issued and outstanding common shares of the Company on a one (1) for four (4) basis;
- (9) to consider and, if thought fit, to approve a special resolution approving the consolidation of the issued and outstanding common shares of the Company on a one (1) for six (6) basis;
- (10) to consider and, if thought fit, to approve a special approving the consolidation of the issued and outstanding common shares of the Company on a one (1) for eight (8) basis;
- (11) to consider and, if thought fit, to approve a special approving the consolidation of the issued and outstanding common shares of the Company on a one (1) for ten (10) basis; and
- (12) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company's board of directors has fixed August 20, 2013 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 27th day of August, 2013.

By Order of the Board of Directors of

TRUECLAIM EXPLORATION INC.

"Byron Coulthard"

Byron Coulthard
President and Chief Executive Officer

TRUECLAIM EXPLORATION INC.

575 – 510 Burrard Street
Vancouver, BC V6C 3A8
Telephone: (604) 662-3230

INFORMATION CIRCULAR

August 27, 2013

INTRODUCTION

This Information Circular accompanies the Notice of Annual General and Special Meeting (the “**Notice**”) and is furnished to shareholders holding common shares (each, a “**Share**”) in the capital of Trueclaim Exploration Inc. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 10:00 a.m. (Vancouver time) on Thursday, September 26, 2013 at 900 – 885 West Georgia Street, Vancouver, British Columbia or at any adjournment or postponement thereof.

Date and Currency

The date of this Information Circular is August 27, 2013. Unless otherwise stated, all amounts herein are in Canadian dollars.

PROXIES AND VOTING RIGHTS

Management Solicitation

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxy

Registered shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each Share that such shareholder holds on the record date of August 20, 2013 on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.

TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**") at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Ontario) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Voting of Shares and Proxies and Exercise of Discretion by Designated Persons

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE

PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY'S BOARD OF DIRECTORS FOR DIRECTORS, AUDITOR, THE CONSOLIDATION (AS DEFINED HEREIN) AND THE RE-APPROVAL OF THE COMPANY'S STOCK OPTION PLAN.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

ADVICE TO BENEFICIAL SHAREHOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are "non-registered" shareholders because the 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 shares. More particularly, a person is not a registered shareholder in respect of 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 shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 of the Canadian Securities Administrators ("**NI 54-101**"), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

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

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy,

properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

These Meeting Materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of Shares without par value. The Company is also authorized to issue an unlimited number of non-voting common shares, of which no shares have been issued and an unlimited number of preferred shares, of which no preferred shares have been issued. As of the record date, determined by the Company's board of directors (the "Board") to be the close of business on August 20, 2013, a total of 103,955,866 Shares were issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered shareholders as of the record date on August 20, 2013 are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company, other than as set forth below:

| Name of Shareholder | Number of Common Shares Owned | Percentage of Outstanding Common Shares ⁽¹⁾ |
|-------------------------|-------------------------------|--|
| Silverpoint Equity Ltd. | 14,149,000 | 13.61% |

⁽¹⁾ Based on 103,955,866 Shares issued and outstanding as of August 20, 2013.

NUMBER OF DIRECTORS

The Articles of the Company provide for a Board of no fewer than three directors and no greater than a number as fixed or changed from time to time by majority approval of the shareholders.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at five (5).

Management recommends the approval of the resolution to set the number of directors of the Company at five (5).

ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

| Name Province Country of Residence and Position(s) with the Company | Principal Occupation Business or Employment for Last Five Years | Periods during which Nominee has Served as a Director | Number of Common Shares Owned ⁽¹⁾ |
|---|--|---|--|
| Byron K. Coulthard ⁽²⁾ British Columbia, Canada <i>President, Chief Executive Officer and Director</i> | President and Chief Executive Officer of the Company since January 3, 2013 and director of the Company since July 26, 2012; Self-employed businessman and financial consultant; director of BRS Resources Ltd., an oil and gas company listed on the TSX Venture Exchange (the "Exchange"), since January 2003, President and Chief Executive Officer from March 3, 2003 to February 24, 2011 and Chief Financial Officer from May 20, 2008 to March 3, 2010; Chairman of White Bear Resources Inc., a junior mining company listed on the Exchange, since November 3, 2011 and director since May 25, 2006, interim Chief Executive Officer and interim President since July 15, 2013 and President and Chief Executive Officer from May 25, 2006 to November 9, 2011; and director of First Americas Gold Corporation, a mineral exploration company listed on the Exchange, from April 13, 2008 to July 23, 2012. | July 26, 2012 to present | 1,000,000 |
| John Carter Ontario, Canada <i>Vice President Operations and Director</i> | Director of the Company since October 29, 2009, Vice President of Operations from January 3, 2013 and President from 2009 until January 3, 2013; President and Chief Executive Officer of MPE International Inc., a company providing engineering services and process equipment to the mining industry. | October 29, 2009 to present | 2,331,000 ⁽³⁾ |
| Gerry Lefevre Manitoba, Canada <i>Director</i> | Medical doctor. Vice President Corporate Development of the Company from January 3, 2013 and interim Chief Executive Officer of the Company from March 2012 to January 3, 2013. | March 15, 2012 to present | 3,097,000 ⁽⁴⁾ |

| Name Province Country of Residence and Position(s) with the Company | Principal Occupation Business or Employment for Last Five Years | Periods during which Nominee has Served as a Director | Number of Common Shares Owned ⁽¹⁾ |
|---|--|---|--|
| Troy Nikolai ⁽²⁾ British Columbia, Canada <i>Acting Chief Financial Officer and Director</i> | Accountant and Consultant of HLB Cinnamon Jang & Willoughby, Chartered Accountants since July 1998. Director and Chief Financial Officer of Western Potash Corp., a development stage potash company listed on the Toronto Stock Exchange, since July 2007; Chief Financial Officer and Director of Equitorial Exploration Corp., a junior mining company listed on the Exchange, since May 23, 2013; and Chief Financial Officer, Secretary and Director of Lakeland Resources Inc. from August 12, 2010 to September 15, 2011. | July 26, 2012 | 7,000,000 ⁽⁵⁾ |
| Brian Larson ⁽²⁾ British Columbia, Canada <i>Director</i> | Self-employed mortgage broker and lender with 45 years' experience in the industry. | January 3, 2013 | Nil |

⁽¹⁾ Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at August 20, 2013, based upon information furnished to the Company by the individual directors.

⁽²⁾ Member of the Audit Committee.

⁽³⁾ 750,000 of these Shares are held by MPE International Inc., a company owned by Mr. Carter.

⁽⁴⁾ 100,000 of these Shares are held by 6272976 Manitoba Ltd., a company owned by Mr. Lefevre.

⁽⁵⁾ 3,000,000 of these Shares are held by YCP Consulting Ltd., a company owned by Mr. Nikolai.

Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.

Cease Trade Orders

Except as disclosed below, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director of the Company is, or within ten (10) years before the date of this Information Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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 made a proposal under any legislation relating to bankruptcies or insolvency.

Penalties and Sanctions

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) 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 securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Information Circular:

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

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

"**Named Executive Officers**" or "**NEOs**" means:

- (a) a CEO,
- (b) a CFO,
- (c) each of the Company's 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 and whose total compensation was, individually, more than \$150,000 as determined in accordance with subsection 1.3(6) of Form 51-102F6 *Statement of Executive Compensation*, or
- (d) any individual who would be a 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 the most recently completed financial year.

Compensation Discussion and Analysis

Goals and Objectives

Given the Company's current size and stage of development, the Board has not appointed a compensation committee and accordingly the Board as a whole is responsible for determining the compensation (including long-term incentive in the form of stock options) to be granted to the Company's executive officers and directors to ensure that such arrangements reflect the responsibilities and risks associated with each position. Management directors are required to abstain from voting in respect of their own compensation.

The Board reviews, on an annual basis, the corporate goals and objectives relevant to executive compensation, evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance and the awards given to executive officers in past years.

The Board's compensation philosophy is aimed at attracting and retaining quality and experienced people which is critical to the success of the Company.

Executive Compensation Program

Executive compensation is comprised of two elements: base fee or salary and long-term incentive compensation (share options). The Board reviews both components in assessing the compensation of individual executive officers and of the Company as a whole.

Base fees or salaries are intended to provide current compensation and a short-term incentive for executive officers to meet the Company's goals, as well as to remain competitive within the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by the executive officers.

Stock options are an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock option grants reward overall corporate performance, as measured through the price of the Company's shares and enable executives to acquire and maintain a significant ownership position in the Company. See "Option Based Awards" below.

The Company has not retained a compensation consultant or advisor to assist the Board in determining compensation for any of the Company's directors or officers. Given the Company's current stage of development, the Company has not considered the implications of the risks associated with the Company's compensation practices. NEOs and directors are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based Awards and Option-Based Awards

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

Stock options are normally granted by the Board when an executive officer first joins the Company based on his level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company. The Board also evaluates the number of options an officer has been granted, the exercise price of the options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant. See "Particulars of Matters to Be Acted Upon – Approval of Stock Option Plan".

Compensation Governance

The Board has not adopted any specific policies or practices to determine the compensation for the Company's directors and officers, other than disclosed above. Given the Company's current stage of development, the Company has not established a compensation committee.

Summary Compensation Table

Particulars of compensation paid to each NEO in the three most recently completed financial years is set out in the summary compensation table below:

| Name and Principal Position | Year | Salary ⁽²⁾ (\$) | Share-based Awards ⁽³⁾ (\$) | Option-based Awards ⁽⁴⁾ (\$) | Non-equity Incentive Plan Compensation ⁽¹⁾ (\$) | | Pension Value (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|--|------|-------------------------------|---|--|---|---------------------------|-----------------------|--------------------------------|----------------------------|
| | | | | | Annual Incentive Plans | Long-term Incentive Plans | | | |
| Byron Coulthard ⁽⁵⁾ President and CEO | 2012 | Nil | Nil | Nil | N/A | N/A | N/A | Nil | Nil |
| | 2011 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2010 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Troy Nikolai ⁽⁶⁾ CFO | 2012 | N/A | Nil | Nil | N/A | N/A | N/A | Nil | N/A |
| | 2011 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2010 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| John Carter ⁽⁷⁾ VP Operations and former President | 2012 | 16,000 | Nil | Nil | Nil | Nil | Nil | Nil | 16,000 |
| | 2011 | Nil | Nil | 20,300 ⁽⁸⁾ | Nil | Nil | Nil | 96,000 | 116,300 |
| | 2010 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Gerry Lefevre ⁽⁹⁾ Former VP Corporate Development and former interim CEO | 2012 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2011 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2010 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Eric Plexman ⁽¹⁰⁾ Former CEO | 2012 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2011 | 96,000 | Nil | 20,300 ⁽⁸⁾ | Nil | Nil | Nil | Nil | 116,300 |
| | 2010 | 96,000 | Nil | Nil | Nil | Nil | Nil | 6,000 | 102,000 |
| Stephen Holmes ⁽¹¹⁾ Former CFO | 2012 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| | 2011 | 79,320 | Nil | 8,120 ⁽⁸⁾ | Nil | Nil | Nil | Nil | 87,440 |
| | 2010 | 19,380 | Nil | 13,650 ⁽¹²⁾ | Nil | Nil | Nil | Nil | 33,030 |
| Enzo Martone ⁽¹³⁾ Former Vice President | 2012 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2011 | Nil | Nil | 20,300 ⁽⁸⁾ | Nil | Nil | Nil | 70,900 | 91,200 |
| | 2010 | 96,000 | Nil | Nil | Nil | Nil | Nil | 6,000 | 102,000 |

(1) "Non-equity Incentive Plan Compensation" includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.

(2) The value of perquisites including property or other personal benefits provided to an NEO that are generally available to all employees, and that in the aggregate are worth less than \$50,000, or are worth less than 10% of an NEO's total salary for the financial year are not reported herein.

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

(4) "Option-based Awards" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features.

(5) Byron Coulthard was appointed the President and CEO of the Company on January 3, 2013.

(6) Troy Nikolai was appointed the Acting CFO of the Company on January 1, 2013.

(7) John Carter was appointed the VP of Operations of the Company on January 3, 2013 and was the President of the Company from May 17, 2011 to January 3, 2013.

(8) The options granted in the 2011 financial year were granted pursuant to the Stock Option Plan. The Company uses the Black-Scholes option pricing model for determining fair value of options issued at grant date. The Black-Scholes option valuation is determined using the expected life of an option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk-free interest rate of 1.55% to 1.96%, expected option life of 2 to 2.5 years, expected volatility of 81% to 87% and expected dividend rate of 0%.

- (9) Gerry Lefevre was the VP of Corporate Development from January 3, 2013 to August 27, 2013 and was the interim CEO from March 11, 2012 to January 3, 2013.
- (10) Eric Plexman was the CEO of the Company from May 17, 2011 to March 11, 2012.
- (11) Stephen Holmes was the CFO of the Company from May 17, 2011 to December 31, 2012.
- (12) The options granted in the 2010 financial year were granted pursuant to the Stock Option Plan. The Company uses the Black-Scholes option pricing model for determining fair value of options issued at grant date. The Black-Scholes option valuation is determined using the expected life of an option, expected volatility of the Share price, expected dividend yield, and risk-free interest rate. The key assumptions are as follows: risk-free interest rate of 0.5%, expected option life of 2.5 years, expected volatility of 100% to 150% and expected dividend rate of 0%.
- (13) Enzo Martone was the Vice President from May 17, 2011 to January 3, 2013.

Narrative Discussion

The Company does not have any written agreement with its NEOs with respect to compensation. The Company is invoiced on a monthly basis for services provided to the Company by its NEOs.

Other than as set forth in the foregoing, no NEO of the Company has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of NEOs for their services in their capacity as NEOs, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or
- (c) any arrangement for the compensation of NEOs for services as consultants or expert.

Incentive Plan Awards

An “incentive plan” is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period. An “incentive plan award” means compensation awarded, earned paid, or payable under an incentive plan.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based granted to NEOs that were outstanding as of December 31, 2012, including awards granted before the year ended December 31, 2012. The Company has not granted any share-based awards.

| Name | Option-based Awards | | | |
|--|---|----------------------------|-----------------------------------|--|
| | Number of shares underlying unexercised options (#) | Option Exercise Price (\$) | Option Expiration Date | Value of unexercised in-the-money options (\$) |
| Byron Coulthard President and CEO | Nil | N/A | N/A | N/A |
| Troy Nikolai Acting CFO | Nil | N/A | N/A | N/A |
| John Carter VP Operations and former President | 250,000 350,000 | \$0.17 \$0.18 | April 28, 2016 August 27, 2014 | N/A ⁽¹⁾ |

| Name | Option-based Awards | | | |
|---|---|----------------------------|--|--|
| | Number of shares underlying unexercised options (#) | Option Exercise Price (\$) | Option Expiration Date | Value of unexercised in-the-money options (\$) |
| Gerry Lefevre Former VP Corporate Development and former interim CEO | Nil | N/A | N/A | N/A |
| Eric Plexman Former CEO ⁽²⁾ | Nil | N/A | N/A | N/A |
| Stephen Holmes Former CFO ⁽³⁾ | 100,000 150,000 | \$0.17 \$0.12 | April 28, 2016 August 30, 2015 | N/A ⁽¹⁾ N/A ⁽¹⁾ |
| Enzo Martone Former Vice President | 250,000 50,000 300,000 | \$0.17 \$0.18 \$0.10 | April 28, 2016 August 27, 2014 July 17, 2014 | N/A ⁽¹⁾ |

- (1) Based on the difference between the closing price of the Shares on the Exchange on December 31, 2012 of \$0.09 and the stock option exercise price, multiplied by the number of Shares under option. As at December 31, 2012, the exercise price of these stock options exceeded the closing price of the Shares.
- (2) Eric Plexman was the CEO of the Company from May 17, 2011 to March 11, 2012.
- (3) Stephen Holmes was the CFO of the Company from May 17, 2011 to December 31, 2012. Pursuant to the Company's stock option plan, Mr. Holmes' stock options expired ninety (90) days after his resignation as CFO of the Company.
- (4) Enzo Martone was the Vice President from May 17, 2011 to January 3, 2013. Pursuant to the Company's stock option plan, Mr. Martone's stock options expired ninety (90) days after his resignation as Vice-President of the Company.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value of option-based awards which vested during the year ended December 31, 2012:

| Name | Option-based awards – Value vested during the year (\$) | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|---|---|--|--|
| Byron Coulthard President and CEO | N/A | N/A | N/A |
| Troy Nikolai Acting CFO | N/A | N/A | N/A |
| John Carter VP Operations and former President | Nil | N/A | N/A |
| Gerry Lefevre Former VP Corporate Development and former interim CEO | N/A | N/A | N/A |
| Eric Plexman Former CEO | N/A | N/A | N/A |

| | | | |
|---------------------------------------|-----|-----|-----|
| Stephen Holmes Former CFO | Nil | N/A | N/A |
| Enzo Martone Former Vice President | Nil | N/A | N/A |

Narrative Discussion

For a summary of the material provisions of the Stock Option Plan, pursuant to which all current option-based awards have been granted to NEOs, please see below under the heading “Terms of Stock Option Plan”. There was no re-pricing of stock options under the Stock Option Plan or otherwise during the Company’s most recently completed financial period ended December 31, 2012.

PENSION PLAN BENEFITS

The Company does not have any pension plans that provide for payments or benefits to the Named Executive Officers at, following, or in connection with retirement, including a defined benefits plan or a defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has no contract, agreement, plan or arrangement that provides for payments to an NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO’s responsibilities.

DIRECTOR COMPENSATION

Director Compensation Table

The following table sets forth the details of compensation provided to the directors, other than the Named Executive Officers, during the Company’s most recently completed financial year:

| Name | Fees Earned (\$) | Share-based Awards (\$) | Option-based Awards (\$) | Non-Equity Incentive Plan Compensation (\$) | Pension Value (\$) | All Other Compensation (\$) | Total (\$) |
|------------------------------|------------------|-------------------------|--------------------------|---|--------------------|-----------------------------|------------|
| Brian Larson ⁽¹⁾ | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Luard Manning ⁽²⁾ | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Gordon Reid ⁽⁴⁾ | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

⁽¹⁾ Brian Larson has been a director of the Company since January 3, 2013.

⁽²⁾ Luard Manning was a director of the Company from March 12, 2012 to September 21, 2012.

⁽³⁾ Gordon Reid was a director of the Company from March 12, 2012 to September 21, 2012.

Narrative Discussion

No director of the Company who is not an NEO has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;

- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors; or
- (c) any arrangement for the compensation of directors for services as consultants or expert.

Incentive Plan Compensation For Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all option-based granted to the Company’s directors, other than the NEOs, that were outstanding as of December 31, 2012, including awards granted before the period ended December 31, 2012. The Company has not granted any share-based awards.

| Name | Option-based Awards | | | |
|--------------|--|----------------------------|------------------------|--|
| | Number of common shares underlying unexercised options (#) | Option exercise price (\$) | Option Expiration Date | Value of unexercised in-the-money options (\$) |
| Brian Larson | N/A | N/A | N/A | N/A |

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value of option-based awards which vested during the year ended December 31, 2012:

| Name | Option-based awards – Value vested during the year (\$) | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|--------------|---|--|--|
| Brian Larson | N/A | N/A | N/A |

Narrative Discussion

For a summary of the material provisions of the Stock Option Plan, pursuant to which all current option-based awards have been granted to Directors, please see below under the heading “Particulars of Matters to be Acted Upon – Approval of Stock Option Plan”. There was no re-pricing of stock options under the Stock Option Plan or otherwise during the Company’s most recently completed financial period ended December 31, 2012.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all the Company’s equity compensation plans as of December 31, 2012. The Company’s equity compensation plan consists of the Stock Option Plan.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights ⁽¹⁾ | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) |
|--|--|---|---|
| Equity compensation plans approved by security holders | 4,725,000 | \$0.15 | 4,826,920 |

| | | | |
|--|------------------|---------------|------------------|
| Equity compensation plans not approved by security holders | N/A | N/A | N/A |
| Total | 4,725,000 | \$0.15 | 4,826,920 |

⁽¹⁾ The Company does not have any warrants or rights outstanding under any equity compensation plans.

In accordance with Policy 4.4 of the Exchange, the directors of the Company have adopted the Stock Option Plan in the form attached as Schedule “A” to this Information Circular, subject to shareholder ratification and annual Exchange approval. See “Particulars Of Matters to be Acted Upon – Approval of Stock Option Plan”, below.

APPOINTMENT OF AUDITOR

It is proposed that A Chan and Company, Chartered Accountants (“**AChan**”), of Suite 1850 – 1066 West Hastings Street, Vancouver, BC V6E 3X2, replace PricewaterhouseCoopers LLP, Chartered Accountants (“**Pricewaterhouse**”) as auditor of the Company for the ensuing year.

Management terminated the engagement of Pricewaterhouse, the previous auditor of the Company, effective April 10, 2013. Pursuant to Section 204(4) of the *Business Corporations Act* (British Columbia), the directors are entitled to fill any causal vacancy in the office of auditor. Effective April 10, 2013, the directors appointed AChan to the position of auditor for the Company until the Meeting. Shareholders will be asked to approve the appointment of AChan, as the auditor of the Company, to hold office until the next annual general meeting of the shareholders at remuneration to be fixed by the Board. Included with this Information Circular as Schedule “A” is a Reporting Package which consists of (a) the Notice of Change of Auditor and (b) letters addressed to certain securities regulators from AChan and Pricewaterhouse.

At the Meeting, shareholders will be asked to vote for the appointment of A Chan and Company, Chartered Accountants, to serve as auditor of the Company for the Company’s fiscal year ending December 31, 2013, at a remuneration to be fixed by the Company’s Board.

Management recommends shareholders vote for the appointment of A Chan and Company, Chartered Accountants, as the Company’s auditors for the Company’s fiscal year ending December 31, 2013 at a remuneration to be fixed by the Board.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

The Audit Committee Charter

The text of the Audit Committee Charter is attached as Schedule “B”.

Composition of the Audit Committee

The Company’s Audit Committee is currently comprised of three directors consisting of Byron Coulthard, Troy Nikolai and Brian Larson. As defined in National Instrument 52-110, Byron Coulthard, the Company’s President and CEO and Troy Nikolai, the Company’s Acting CFO, are not “independent”. Brian Larson is independent. The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are “financially literate”, as defined in National Instrument 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as the understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.

Relevant Education and Experience

Byron Coulthard

Byron Coulthard is an independent financial advisor and a consultant to various public and private companies. Mr. Coulthard has over 25 years of experience in the financial markets and has experience in understanding accounting principles for reporting companies and analyzing or evaluating financial statements similar to those of the Company.

Troy Nikolai

Mr. Nikolai has been an accountant and consultant of HLB Cinnamon Jang & Willoughby, Chartered Accountants since July 1998. He has served as chief financial officer of several publicly listed companies, including Western Potash Corp., a development stage potash company listed on the Toronto Stock Exchange, since July 2007; Equitorial Exploration Corp., a junior mining company listed on the Exchange, since May 23, 2013; and Lakeland Resources Inc. from August 12, 2010 to September 15, 2011.

Brian Larson

Mr. Larson is a self-employed mortgage broker specialist with over 45 years of experience as a mortgage broker and lender. He has a good working understanding of financial reporting and financial statements and has taken several continuing professional development courses relating to finance and financial statements.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4 or 8 of National Instrument 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of National Instrument 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter.

External Auditor Service Fees

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by the Company’s external auditor in the last two fiscal years, by category, are as follows:

| Financial Year Ended December 31 | Audit Fees | Audit Related Fees | Tax Fees | All Other Fees |
|----------------------------------|------------|--------------------|----------|----------------|
| 2012 | \$40,000 | Nil | \$2,000 | Nil |
| 2011 | \$83,200 | \$12,900 | \$14,400 | \$7,020 |

Exemption

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee, proposed nominee for election to the Board, or associate of such persons is, or has been, indebted to the Company since the beginning of the most recently completed financial year of the Company and no indebtedness remains outstanding as at the date of this Information Circular.

None of the directors or executive officers of the Company is or, at any time since the beginning of the most recently completed financial year, has been indebted to the Company. None of the directors’ or executive officers’ indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, common shares or who exercises control or direction of common shares, or a combination of both carrying more than ten percent of the voting rights attached to the common shares outstanding (an “Insider”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has 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 would materially affect the Company, except with an interest arising from the ownership of common shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of common shares.

MANAGEMENT CONTRACTS

There were no management functions of the Company which were, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to disclose its corporate governance practices as follows:

Board of Directors

The Board facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

The Board currently consists of five directors, Byron Coulthard, John Carter, Gerry Lefevre, Troy Nikolai and Brian Larson. Brian Larson and Gerry Lefebvre are “independent” 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 the director’s ability to act with the best interests of the Company, other than the interests and relationships arising from shareholders. Byron Coulthard is the President and CEO, Troy Nikolai is the Acting CFO and John Carter is the VP of Operations. They are therefore not independent.

Directorships

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

| Name of Director of the Company | Names of Other Reporting Issuers |
|---------------------------------|---|
| Byron K. Coulthard | BRS Resources Ltd. ⁽¹⁾ White Bear Resources Inc. ⁽¹⁾ |
| Troy Nikolai | Western Potash Corp. ⁽²⁾ Equitorial Exploration Corp. ⁽¹⁾ |
| John Carter | Argentium Resources Inc. ⁽³⁾ Golden Bridge Mining Corporation ⁽¹⁾ Mag Copper Limited ⁽³⁾ |
| Gerry Lefevre | Montello Resources Ltd. ⁽¹⁾ |
| Brian Larson | None |

⁽¹⁾ TSX Venture Exchange

⁽²⁾ Toronto Stock Exchange

⁽³⁾ Canadian National Stock Exchange

Orientation and Continuing Education

The Board briefs all new directors with respect to the policies of the Board and other relevant corporate and business information. The Board does not provide any continuing education.

Ethical Business Conduct

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.

Nomination of Directors

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

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 required time, show support for the Company's mission and strategic objectives, and a willingness to serve.

Compensation

The Board conducts reviews with regard to the compensation of the directors and Chief Executive Officer once a year. To make its recommendations on such compensation, the Board takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

Other Board Committees

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

Assessments

The Board regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Board and its committees.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the grant of options which may be granted to such persons upon the approval of the Stock Option Plan as discussed below.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Stock Option Plan is a "rolling" stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued Shares of the Company.

A maximum of 10% of the issued Shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options granted under the Stock Option Plan. The Exchange requires listed companies that have "rolling" stock option plans in place to receive shareholder approval for such plans on a yearly basis at the company's annual shareholders meeting. Accordingly, shareholders of the Company will be asked at the Meeting to ratify and approve the Stock Option Plan. The Stock Option Plan complies with the current policies of Exchange for Tier 2 issuers.

The purpose of the Stock Option Plan is to advance the interests of the Company and its stockholders by attracting, retaining and motivating selected directors, officers, employees, consultants and management company employees of the Company of high caliber and potential and to encourage and enable such persons to acquire an ownership interest in the Company.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan which is attached as Schedule "C" to this Information Circular:

1. The exercise price of any options granted under the Stock Option Plan shall be determined by the Board, but may not be less than the market price of the Company's shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules).
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of shares in respect of the expired or terminated option shall again be available for the purpose of the Stock Option Plan.
3. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the option is granted.
4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued shares of the Company, while the Company is a Tier 2 issuer.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued shares of the Company.
6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued shares of the Company.
7. The Stock Option Plan provides that options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one-quarter of the options vesting in any three month period.
8. If the option holder ceases to be a director, officer, employee or other service provider of the Company (other than by reason of death, disability and termination of services for cause), as the case may be, then the option granted must expire on the earlier of the expiry date and the date that is 90 days following the date that the option holder ceases to be a director, officer, employee or service provider of the Company.
9. Options held by an option holder who is engaged in investor relations activities must expire on the earlier of the expiry date of the option and the date that is 30 days after the option holder ceases to be employed by the Company to provide investor relations activities, while the Company is a Tier 2 issuer.
10. Stock options granted to directors, senior officers, employees or consultants will vest when granted unless determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
11. The Stock Option Plan will be administered by the Board, which will have the full authority and sole discretion to grant options under the Stock Option Plan to any eligible party, including themselves.
12. The options shall not be assignable or transferable by an optionee.
13. The Board may from time to time, subject to regulatory approval, amend or revise the terms of the Plan.

The Stock Option Plan provides that other terms and conditions may be attached to a particular stock option at the discretion of the Board.

The Stock Option Plan is subject to receipt of annual Exchange acceptance to its filing. Shareholders will be asked at the Meeting to consider, and if thought fit, to approve an ordinary resolution ratifying and approving the Stock Option Plan.

As of the date hereof, there is an aggregate of 4,725,000 stock options outstanding, which is equal to 4.5% of the issued share capital of the Company.

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. The Company’s Stock Option Plan (the “Plan”) as set forth in the Information Circular dated August 27, 2013, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued shares of the Company, be and is hereby approved, confirmed and ratified, subject to the acceptance of the Plan by the TSX Venture Exchange (the “Exchange”);
2. The Company be authorized to abandon or terminate all or any part of the Plan if the board of directors of the Company deems it appropriate and in the best interests of the Company to do so;
3. The Company be and is hereby authorized to grant options pursuant and subject to the terms and conditions of the Plan;
4. The Company be and is hereby, at the discretion of the board of directors, to amend the exercise price of previously granted option agreements, without further approval by the shareholders, all in accordance with the policies of the Exchange; and
5. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal of the Company or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the implementation of the Plan.”

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxies FOR the ordinary resolution to approve the Plan. An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

Management of the Company recommends that shareholders vote in favour of the above ordinary resolution ratifying the Stock Option Plan.

Approval of Share Consolidation

The Board has determined that it would be in the best interests of the Company for the Company to consolidate all of its issued and outstanding Shares (the “Consolidation”). At the Meeting, Shareholders will be asked to consider, and if thought advisable, to pass five separate special resolutions (collectively, the “Consolidation Resolutions”) (the full texts of which are set out below) amending the Company’s share structure by consolidating the Company’s issued and outstanding Shares: (a) on the basis of one (1) post-consolidated Share for each two (2) pre-consolidated Shares issued and outstanding; (b) on the basis of one (1) post-consolidated Share for each four (4) pre-consolidated Shares issued and outstanding; (c) on the basis of one (1) post-consolidated Share for each six (6) pre-consolidated Shares issued and outstanding; (d) on the basis of one (1) post-consolidated Share for each eight (8) pre-consolidated Shares issued and outstanding; and (e) on the basis of one (1) post-consolidated Share for each ten (10) pre-consolidated Shares issued and outstanding. The Board will then have the sole discretion to proceed with any one of the five proposed consolidation ratios, subject to the receipt of the approval of

Shareholders and the acceptance of the Exchange. The name of the Company is not expected to be changed in conjunction with the Consolidation.

Reasons for the Consolidation

The Board believes that the Consolidation is necessary due to market conditions that have made it challenging to raise capital under the current share structure of the Company.

Effects of the Consolidation

The Consolidation will result in Shareholders holding a smaller number of Shares. The resulting number of Shares held after the Consolidation will be determined based on the consolidation ratio decided upon by the Board, in its sole discretion. In the event the resolution with respect to the Consolidation is approved, the maximum consolidation ratio permitted will be one (1) post-consolidation Share for every ten (10) pre-consolidation Shares, but, subject to the approval of Shareholders at the Meeting, the Board may also determine to consolidate the Shares on a ratio of one (1) for two (2), one (1) for four (4), one (1) for six (6) or one (1) for eight (8). However, the Consolidation will not affect any Shareholder's percentage ownership interest or voting rights in the Company, except to the extent that the Consolidation would otherwise result in any Shareholder owning a fractional Share. Any fractional Shares resulting from the Consolidation will be rounded up to the next whole Share if such fractional Share is equal to or greater than one-half of a Share and rounded down to the next whole Share if such fractional Share is less than one-half of a Share.

As at August 20, 2013, the total number of issued and outstanding Shares of the Company was 103,955,866. Accordingly, in the event that the Board determines to proceed with the Consolidation on a ratio of:

- (a) one (1) for two (2), the total number of Shares issued and outstanding after the Consolidation is expected to be 51,977,933;
- (b) one (1) for four (4), the total number of Shares issued and outstanding after the Consolidation is expected to be 25,988,967;
- (c) one (1) for six (6), the total number of Shares issued and outstanding after the Consolidation is expected to be 17,325,978;
- (d) one (1) for eight (8), the total number of Shares issued and outstanding after the Consolidation is expected to be 12,994,483; and
- (e) one (1) for ten (10), the total number of Shares issued and outstanding after the Consolidation is expected to be 10,395,587.

In general, the Consolidation will not be considered to result in a disposition of Shares by Shareholders for Canadian federal income tax purposes. The aggregate adjusted cost base to a Shareholder for such purposes of all Shares held by the Shareholder will not change as a result of the Consolidation; however, the Shareholder's adjusted cost base per Share will increase proportionately.

Each option, warrant, or other security of the Company convertible into pre-consolidation Shares that have not been exercised or cancelled prior to the implementation of the Consolidation will be adjusted pursuant to the terms thereof on the basis of the same ratio as may be decided upon by the Board for the Consolidation (i.e. the number of Shares issuable will decrease while the exercise price will increase).

Effect on Non-Registered Holders

Non-Registered Holders holding their Shares through an Intermediary should note that such Intermediary may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered Shareholders. If you hold your Shares with such Intermediary and if you have questions in this regard, you are encouraged to contact your Intermediary.

Exchange of Share Certificates

If the Consolidation is approved by Shareholders, accepted by the Exchange, and implemented by the Board, Shareholders will be required to exchange their share certificates representing pre-consolidation Shares for new share certificates representing post-consolidation Shares.

Following a determination by the Board to implement the Consolidation, it is expected that the Transfer Agent will send a letter of transmittal to each Shareholder as soon as practicable after the implementation of the Consolidation. The letter of transmittal will contain instructions on how Shareholders can surrender their share certificates representing pre-consolidation Shares to the Transfer Agent. The Transfer Agent will forward to each Shareholder who has sent in their share certificates representing pre-consolidation Shares, along with such other documents as the Transfer Agent may require, a new share certificate representing the number of post-consolidation Shares to which such Shareholder is entitled. No share certificates for fractional Shares will be issued.

Shareholders should not destroy any share certificate and should not submit any share certificate for a new share certificate until requested to do so.

Procedures for Implementing the Consolidation

If the Shareholders approve the Consolidation Resolutions set forth below, the Board will have the authority, in its sole discretion, to determine whether or not to implement the Consolidation. If the Board decides to implement the Consolidation, the Company will promptly make the required filings with the Exchange. The Consolidation will be effective on the date on which the Board determines to carry out the Consolidation after receiving the acceptance of the Exchange. Following receipt of the Exchange's final acceptance of the Consolidation, the Company will cause letters of transmittal, as described above, to be mailed to the Shareholders.

Certain Risks associated with the Share Consolidation

The effect of the Consolidation upon the market price of the Shares cannot be predicted with any certainty, and the history of similar share consolidations for corporations similar to the Company is varied. There can be no assurance that the total market capitalization of the Shares immediately following the Consolidation will be equal to or greater than the total market capitalization immediately before the Consolidation. In addition, there can be no assurance that the per-share market price of the Shares following the Consolidation will remain higher than the per-share market price immediately before the Consolidation or equal or exceed the direct arithmetical result of the Consolidation. In addition, a decline in the market price of the Shares after the Consolidation may result in a greater percentage decline than would occur in the absence of the Consolidation. Furthermore, the Consolidation may lead to an increase in the number of Shareholders who will hold "odd lots"; that is, a number of shares not evenly divisible into board lots (a board lot is either 100, 500 or 1,000 shares, depending on the price of the shares). As a general rule, the cost to Shareholders transferring an odd lot of Shares is somewhat higher than the cost of transferring a "board lot". Nonetheless, despite the risks and the potential increased cost to Shareholders in transferring odd lots of post-Consolidation Shares, the Board believes the Consolidation is in the best interests of the Company.

Shareholder Approval

Under the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) and the Articles of the Company, a share consolidation requires approval by a special resolution and, as such, the affirmative votes of not less than two thirds of the votes cast at the Meeting, in person or by proxy, are required in order for the Consolidation Resolutions to be considered approved by the Shareholders. Under the BCBCA, Shareholders do not have dissent and appraisal rights with respect to the proposed Consolidation.

Accordingly, Shareholders will be asked to vote on each of the following Consolidation Resolutions, as special resolution, at the Meeting, or any adjournment or postponement thereof:

Consolidation Resolution # 1 – Consolidation on a One (1) for Two (2) Basis

“BE IT RESOLVED, as a special resolution, that, subject to the acceptance of the TSX Venture Exchange:

1. The Company’s authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company’s issued and outstanding common shares at a consolidation ratio of one (1) post-consolidation common share for every two (2) pre-consolidation common shares (the “**Consolidation**”);
2. Any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
3. The board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
4. Subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;
5. The Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company’s records office; and
6. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions.”

Consolidation Resolution # 2 – Consolidation on a One (1) for Four (4) Basis

“BE IT RESOLVED, as a special resolution, that, subject to the acceptance of the TSX Venture Exchange:

1. The Company’s authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company’s issued and outstanding common shares at a consolidation ratio of one (1) post-consolidation common share for every four (4) pre-consolidation common shares (the “**Consolidation**”);

2. Any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
3. The board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
4. Subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;
5. The Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company's records office; and
6. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions."

Consolidation Resolution # 3 – Consolidation on a One (1) for Six (6) Basis

"BE IT RESOLVED, as a special resolution, that, subject to the acceptance of the TSX Venture Exchange:

1. The Company's authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company's issued and outstanding common shares at a consolidation ratio of one (1) post-consolidation common share for every six (6) pre-consolidation common shares (the "**Consolidation**");
2. Any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
3. The board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
4. Subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;
5. The Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company's records office; and
6. Any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions."

Consolidation Resolution # 4 – Consolidation on a One (1) for Eight (8) Basis

“BE IT RESOLVED, as a special resolution, that, subject to the acceptance of the TSX Venture Exchange:

1. The Company’s authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company’s issued and outstanding common shares at a consolidation ratio of one (1) post-consolidation common share for every eight (8) pre-consolidation common shares (the “**Consolidation**”);
2. Any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
3. The board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
4. Subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;
5. The Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company’s records office; and
6. any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions.”

Consolidation Resolution # 5 – Consolidation on a One (1) for Ten (10) Basis

“BE IT RESOLVED, as a special resolution, that, subject to the acceptance of the TSX Venture Exchange:

1. the Company’s authorized share structure and its Notice of Articles, if applicable, be altered by consolidating all of the Company’s issued and outstanding common shares at a consolidation ratio of one (1) post-consolidation common share for every ten (10) pre-consolidation common shares (the “**Consolidation**”);
2. any fractional shares resulting from the Consolidation be: (a) rounded up to the next whole share if such fractional share is equal to or greater than one-half of a share; and (b) rounded down to the next whole share if such fractional share is less than one-half of a share;
3. the board of directors of the Company be and is hereby authorized, in its sole discretion, to determine whether or not, and when, to implement the Consolidation;
4. subject to paragraph 5 below, the solicitors for the Company are authorized and directed to prepare and electronically file, if required, a Notice of Alteration with the Registrar of Companies;

5. the Notice of Alteration, if required, shall not be filed with the Registrar of Companies unless and until this resolution has been deposited at the Company's records office; and
6. any one director or officer of the Company be and is hereby authorized for and on behalf of the Company to execute and deliver all such documents and instruments and take all such other actions as such director or officer may determine necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents and instruments or the taking of such actions."

Each of these special resolutions must be approved by at least two-thirds of the votes cast by shareholders of the Company who, being entitled to do so, vote in person or by proxy at the Meeting in respect of such special resolutions.

The form of the proposed resolutions set forth above are subject to such amendments as management may propose at the Meeting but which do not materially affect the substance of the proposed resolutions.

Recommendation of the Board

The Board has reviewed and considered all material facts relating to the Consolidation which it has considered to be relevant to Shareholders. **It is the unanimous recommendation of the Board that Shareholders vote for the Consolidation Resolutions.**

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

Shareholders may contact the Company at its office by mail at Suite 575 – 510 Burrard Street, Vancouver, BC V6C 3A8, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's audited financial statements and MD&A for the years ended December 31, 2012.

OTHER MATTERS

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Information Circular have been approved and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

Dated at Vancouver, British Columbia as of August 27, 2013.

ON BEHALF OF THE BOARD

TRUECLAIM EXPLORATION INC.

"Byron Coulthard"

Byron Coulthard

President and Chief Executive Officer

Schedule "A"

TRUECLAIM EXPLORATION INC.

TO: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

AND TO: A Chan and Company LLP

AND TO: PricewaterhouseCoopers LLP

**RE: Notice of Change of Auditor pursuant to Section 4.11 of National Instrument 51-102
– *Continuous Disclosure Obligations* (“NI 51-102”)**

Pursuant to Section 4.11(7) of NI 51-102, Trueclaim Exploration Inc. (the “**Issuer**”) hereby gives notice of the change of its auditor from PricewaterhouseCoopers LLP, Chartered Accountants, to A Chan and Company LLP, Chartered Accountants. In accordance with NI 51-102, the Issuer hereby states that:

1. PricewaterhouseCoopers LLP has resigned at the request of the Issuer as the Issuer’s auditor effective April 10, 2013;
2. the resignation of PricewaterhouseCoopers LLP and the appointment of A Chan and Company LLP as the Issuer’s auditor have been considered and approved by the Issuer’s Audit Committee and Board of Directors;
3. there were no reservations in PricewaterhouseCoopers LLP’s reports for the two most recently completed fiscal years of the Issuer, nor for any subsequent period; and
4. there have been no “reportable events” within the meaning assigned under subsection 4.11(1) of NI 51-102.

DATED the 20th day of April, 2013.

**BY ORDER OF THE BOARD OF DIRECTORS
OF TRUECLAIM EXPLORATION INC.**

“Byron Coulthard”

Byron Coulthard
Chief Executive Officer and President



May 8, 2013

To: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

We have read the statements made by Trueclaim Exploration Inc. in the attached copy of change of auditor notice dated April 20, 2013, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated April 20, 2013.

Yours very truly,

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers LLP
465 Richmond Street, Suite 300, London, Ontario, Canada N6A 5P4
T: +1 519 640 8000, F: +1 519 640 8015, www.pwc.com/ca

"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

SUITE 1850
1066 WEST HASTINGS STREET
VANCOUVER, BC V6E 3X2

T: 604.683.3850
F: 604.688.8479



A CHAN AND COMPANY LLP
CHARTERED ACCOUNTANTS

April 20, 2013

BY SEDAR

British Columbia Securities Commission
701 West Georgia Street
Vancouver, B.C. V7Y 1L2

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, AB T2P 0R4

Ontario Securities Commission
20 Queen Street West, Suite 1903
Toronto, ON M5H 3S8

Dear Sirs/Mesdames:

Re: Trueclaim Exploration Inc. (the “**Issuer**”) –
Notice Pursuant to NI 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”)

In accordance with NI 51-102, we have read the Issuer’s Change of Auditor Notice dated April 20, 2013 and agree with the information contained therein, based upon our knowledge of the information at this date.

Should you require clarification or further information, please do not hesitate to contact the writer.

Yours truly,

“A Chan & Company LLP”

Chartered Accountants

cc. Trueclaim Exploration Inc.

Schedule "B"

**TRUECLAIM EXPLORATION INC.
(formerly Stage Capital Inc.) (the "Corporation")**

AUDIT COMMITTEE CHARTER

(Adopted by the Board of Directors on January 10, 2008)

A. PURPOSE

The overall purpose of the Audit Committee (the "Committee") is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information.

B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the "Board").
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
3. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
4. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
5. The Committee shall have access to such officers and employees of the Corporation and to the Corporation's external auditors, and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
6. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
7. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Corporation as it deems necessary, and any employee

may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) to assist the Board in the discharge of its responsibilities relating to the Corporation's accounting principles, reporting practices and internal controls and its approval of the Corporation's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Corporation's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Corporation has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) to recommend to the Board a firm of external auditors to be engaged by the Corporation, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Corporation's financial and auditing personnel;
 - (iv) co-operation received from the Corporation's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Corporation;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Corporation's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

3. The duties and responsibilities of the Committee as they relate to the Corporation's internal auditors are to:
 - (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
 - (b) review and approve the internal audit plan; and
 - (c) review significant internal audit findings and recommendations, and management's response thereto.

4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Corporation are to:
 - (a) review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Corporation's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Corporation; and
 - (d) periodically review the Corporation's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:
 - (a) review the Corporation's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) annual and interim MD&A;
 - (iv) prospectuses;
 - (v) news releases discussing financial results of the Corporation; and
 - (vi) other public reports of a financial nature requiring approval by the Board,and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Corporation's consolidated financial statements;

- (d) review the appropriateness of the policies and procedures used in the preparation of the Corporation's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Corporation's consolidated financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Corporation and the manner in which such matters have been disclosed in the consolidated financial statements;
- (h) review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board following each annual general meeting of shareholders.

Schedule "C"

TRUECLAIM EXPLORATION INC.

**AMENDED
STOCK OPTION PLAN**

Effective Date: May 28, 2010

Approved by the Board of
Directors on May 28, 2010.

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1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) "Administrator" means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) "Associate" means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
 - (i) any partner, other than a limited partner, of that person;
 - (ii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iii) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) "Black-Out" means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company.
- (d) "Board" means the board of directors of the Company.
- (e) "Change of Control" means an occurrence when either:
 - (i) a Person or Entity, other than the current "control person" of the Company (as that term is defined in the *Securities Act*), becomes a "control person" of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company's then-incumbent Board.
- (f) "Committee" means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (g) "Company" means Trueclaim Exploration Inc.
- (h) "Consultant" means an individual who:
 - (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a "distribution" (as that term is described in the *Securities Act*);
 - (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (h)(v) below);

- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a "Consultant Entity"); or
 - (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (i) "Disability" means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (j) "Employee" means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
 - (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (iii) a corporation wholly-owned by such individual; and
 - (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (k) "Executive" means an individual who is a director or officer of the Company or a Subsidiary, and includes:
- (i) a corporation wholly-owned by such individual; and
 - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) "Exercise Notice" means the written notice of the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder.
- (m) "Exercise Period" means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (n) "Exercise Price" means the price at which an Option is exercisable as determined in accordance with Section 5.3.

- (o) "Expiry Date" means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.4, 6.2, 6.3, 6.4 or 11.4.
- (p) "Expiry Time" means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Toronto, Ontario on the Expiry Date.
- (q) "Grant Date" means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (r) "Insider" means an insider as that term is defined in the *Securities Act*;
- (s) "Market Value" means the market value of the Shares as determined in accordance with Section 5.3.
- (t) "Option" means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (u) "Option Certificate" means the certificate, in substantially the form set out as Schedule "A" hereto, evidencing the Option.
- (v) "Option Holder" means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (w) "Outstanding Issue" means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (x) "Person or Entity" means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (y) "Personal Representative" means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (z) "Plan" means this stock option plan as from time to time amended.
- (aa) "Regulatory Approvals" means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (bb) "Regulatory Authorities" means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (cc) "Regulatory Rules" means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.

- (dd) "*Securities Act*" means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ee) "Share" or "Shares" means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (ff) "Subsidiary" means a wholly-owned or controlled subsidiary corporation of the Company.
- (gg) "Triggering Event" means:
 - (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a proposed Change of Control of the Company;
 - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
 - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (hh) "TSX-V" means the TSX Venture Exchange Inc.
- (ii) "Vest" or "Vesting" means that portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the jurisdiction of the Courts of British Columbia.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

2. **GRANT OF OPTIONS**

2.1 Grant of Options

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

2.2 Record of Option Grants

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;
- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

2.3 Effect of Plan

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

3. PURPOSE AND PARTICIPATION

3.1 Purpose of Plan

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

3.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

3.3 Limits on Option Grants

If the Company is listed on the TSX-V, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSX-V:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue;
- (b) with respect to Section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;

- (c) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (d) the maximum number of Options which may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period,

and such limitations will not be an amendment to this Plan requiring the consent of the Option Holders under Section 9.2 of this Plan.

3.4 Notification of Grant

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

3.5 Copy of Plan

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

3.6 Limitation on Service

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

3.7 No Obligation to Exercise

Option Holders shall be under no obligation to exercise Options granted under this Plan.

3.8 Agreement

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

3.9 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

3.10 Representation to TSX-V

As a condition precedent to the issuance of an Option, the Company must be able to represent to TSX-V as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary.

4. NUMBER OF SHARES UNDER PLAN

4.1 Board to Approve Issuance of Shares

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

4.2 Number of Shares

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options, including the existing 365,000 Shares currently subject to outstanding Options as of the date of this Plan which were granted prior to implementation of this Plan and, which, by the implementation of this Plan are grandfathered under this Plan. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

4.3 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

5. TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Period of Option

Subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option, provided that the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option.

5.2 Number of Shares Under Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

5.3 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and
- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

5.4 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
 - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
 - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;
 in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant, and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:

- (i) termination for cause;
- (ii) resigning or terminating his or her position; or
- (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under Section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.5 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under Section 9.2 of this Plan.

5.6 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

6. TRANSFERABILITY OF OPTIONS

6.1 Non-transferable

Except as provided otherwise in this Section 6, Options are non-assignable and non-transferable.

6.2 Death of Option Holder

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the date of death and the applicable Expiry Date.

6.3 Disability of Option Holder

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the

Personal Representative on or before the date which is the earlier of six months following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Option Holder

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within six months after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of six months following the death of such Option Holder and the applicable Expiry Date.

6.5 Vesting

Unless the Committee determines otherwise, Options held by or exercisable by a Personal Representative shall, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

7. EXERCISE OF OPTION

7.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised by an Option Holder during a Black-Out that is applicable to that Option Holder unless the Committee determines otherwise.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

8. ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with Section 8.2 below, or by an Administrator appointed in accordance with Section 8.4(b).

8.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this Section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);

- (iii) subject to any necessary Regulatory Approvals and Section 9.2, amend the terms of any Options;
 - (iv) determine when Options shall be granted; and
 - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

8.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

9. APPROVALS AND AMENDMENT

9.1 Shareholder Approval of Plan

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. Any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

9.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company.

10. CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES

10.1 Compliance with Laws

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under Section 9.2 of this Plan.

10.3 Inability to Obtain Regulatory Approvals

The Company's inability to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete the grant of Options hereunder, the exercise of those Options or the lawful issuance and sale of any Shares pursuant to such Options, shall relieve the Company of any liability with respect to the failure to complete such transaction.

11. ADJUSTMENTS AND TERMINATION

11.1 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan.

11.2 No Grant During Suspension of Plan

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

11.3 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this Section 11.3, and without limitation, neither:

- (a) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (b) the conversion of outstanding securities of the Company into Shares,

shall be deemed to be material alterations of the capital structure of the Company. Any adjustment made to any Options pursuant to this Section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of Section 9.2 of this Plan.

11.4 Triggering Events

Subject to the Company complying with Section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of Section 9.2 of the Plan.

11.5 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

11.6 Determinations to be Made By Committee

Adjustments and determinations under this Section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

SCHEDULE "A"

Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●[date four months and one day after Grant Date].

TRUECLAIM EXPLORATION INC.

STOCK OPTION PLAN - OPTION CERTIFICATE

This Option Certificate is issued pursuant to the provisions of the Stock Option Plan (the "Plan") of **Trueclaim Exploration Inc.** (the "Company") and evidences that ●[Name of Option Holder] is the holder (the "Option Holder") of an option (the "Option") to purchase up to ● common shares (the "Shares") in the capital stock of the Company at a purchase price of Cdn.\$● per Share (the "Exercise Price"). This Option may be exercised at any time and from time to time from and including the following Grant Date through to and including up to 5:00 p.m. local time in Vancouver, British Columbia (the "Expiry Time") on the following Expiry Date:

- (a) the Grant Date of this Option is ●, 200●; and
- (b) subject to sections 5.4, 6.2, 6.3, 6.4 and 11.4 of the Plan, the Expiry Date of this Option is ●, 200●.

To exercise this Option, the Option Holder must deliver to the Administrator of the Plan, prior to the Expiry Time on the Expiry Date, an Exercise Notice, in the form provided in the Plan, which is incorporated by reference herein, together with the original of this Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which this Option is being exercised.

This Option Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan. This Option Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail. This Option is also subject to the terms and conditions contained in the schedules, if any, attached hereto.

Any share certificates issued pursuant to an exercise of the Option before ●[date four months and one day after Grant Date] will contain the following legend:

"Without prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until ●[date four months and one day after Grant Date]."

This Option was granted to the Option Holder in his or her capacity as a ● [pick one: Director, Officer, Employee, Consultant] of the Company ● [, and shall continue in effect should his or her status change and he or she continue in a new capacity as a Director, Officer, Employee or Consultant of the Company].

TRUECLAIM EXPLORATION INC.

Per:

Director

The Option Holder acknowledges receipt of a copy of the Plan and represents to the Company that the Option Holder is familiar with the terms and conditions of the Plan, and hereby accepts this Option subject to all of the terms and conditions of the Plan. The Option Holder agrees to execute, deliver, file and otherwise assist the Company in filing any report, undertaking or document with respect to the awarding of the Option and exercise of the Option, as may be required by the Regulatory Authorities. The Option Holder further acknowledges that if the Plan has not been approved by the shareholders of the Company on the Grant Date, this Option is not exercisable until such approval has been obtained.

Signature of Optionee:

Date signed: _____

Signature

Print Name

Address

OPTION CERTIFICATE - SCHEDULE

The additional terms and conditions attached to the Option represented by this Option Certificate are as follows:

The Options will not be exercisable unless and until they have vested and then only to the extent that they have vested. The Options will vest in accordance with the following:

- (a) ● Shares (●%) will vest and be exercisable on or after the Grant Date;
- (b) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
- (c) ● additional Shares (●%) will vest and be exercisable on or after ● [date];
- (d) ● additional Shares (●%) will vest and be exercisable on or after ● [date];

SCHEDULE "B"

**TRUECLAIM EXPLORATION INC.
STOCK OPTION PLAN**

NOTICE OF EXERCISE OF OPTION

TO: The Administrator, Stock Option Plan
Trueclaim Exploration Inc.
96 Hagerman Crescent
St. Thomas, Ontario
Canada N5R 6K3
(or such other address as the Company may advise)

The undersigned hereby irrevocably gives notice, pursuant to the Stock Option Plan (the "Plan") of **Trueclaim Exploration Inc.** (the "Company"), of the exercise of the Option to acquire and hereby subscribes for (**cross out inapplicable item**):

- (a) all of the Shares; or
- (b) _____ of the Shares;

which are the subject of the Option Certificate attached hereto (**attach your original Option Certificate**).

The undersigned tenders herewith a certified cheque or bank draft (**circle one**) payable to "**Trueclaim Exploration Inc.**" in an amount equal to the aggregate Exercise Price of the aforesaid Shares and directs the Company to issue the certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address (**provide full complete address**):

The undersigned acknowledges the Option is not validly exercised unless this Notice is completed in strict compliance with this form and delivered to the required address with the required payment prior to 5:00 p.m. local time in Vancouver, B.C. on the Expiry Date of the Option.

DATED the _____ day of _____, 20____.

Signature of Option Holder