



**NOTICE OF MEETING  
AND  
MANAGEMENT INFORMATION CIRCULAR  
FOR THE  
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON SEPTEMBER 10, 2012**

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**Dated August 7, 2012**

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## CUORO RESOURCES CORP.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of CuOro Resources Corp. (the “**Corporation**”) will be held at Suite #1305, 1090 West Georgia Vancouver, British Columbia V6E 3V7, at 10:00 a.m. (Vancouver time), on September 10, 2012, for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Corporation for the year ended November 30, 2011, together with the report of the auditors thereon;
- (b) to reappoint Davidson & Company LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
- (c) to pass an ordinary resolution to set the number of directors at five (5);
- (d) to elect the directors for the Corporation for the ensuing year;
- (e) to consider and, if deemed appropriate, to pass an ordinary resolution to reapprove the stock option plan implemented by the Corporation in May 2011; and
- (f) to transact such other business as may properly be brought before the Meeting.

Accompanying this notice of Meeting (the “**Notice of Meeting**”) is the Management Information Circular (the “**Information Circular**”) and a form of proxy (the “**Proxy**”). The Information Circular includes more detailed information relating to the matters to be addressed at the Meeting. The Information Circular is deemed to form a part of this Notice of Meeting.

An “**ordinary resolution**” is a resolution passed by at least a majority of the votes cast by Shareholders in respect of that resolution at the Meeting.

Shareholders unable to attend the Meeting in person should read the notes to the Proxy and complete and return the Proxy to the Corporation’s registrar and transfer agent, Valiant Trust Company at Proxy Department, Suite 600, 750 Cambie Street, Vancouver, British Columbia, V6B 0A2, or by fax at (604) 681-3067. A proxy will not be valid unless it is deposited at the office of Valiant Trust Company by 10:00 a.m. (Vancouver time) on September 6, 2012 or not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the commencement of the Meeting following any adjournments or postponements thereof. Late proxies may be accepted or rejected by the chairman of the Meeting in his discretion, and the chairman is under no obligation to accept or reject any particular late proxy. If you are a non-registered Shareholder and received these materials through your broker or another intermediary, please complete and return the Proxy or other voting form in accordance with instructions provided to you by your broker or such other intermediary.

The enclosed Proxy appoints nominees of management as proxyholder and you may amend the Proxy, if you wish, by inserting in the space provided the name of the person you wish to represent you as proxyholder at the Meeting.

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is August 1, 2012 (the “**Record Date**”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

DATED this 7<sup>th</sup> day of August, 2012.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
CUORO RESOURCES CORP.**

*(signed) "Robert Sedgemore"*

Robert Sedgemore  
President, Chief Executive Officer and Director

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## GENERAL INFORMATION RESPECTING THE MEETING

### Time, Date and Place

The annual and special meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of common shares (the “**Common Shares**”) of CuOro Resources Corp. (the “**Corporation**” or “**CuOro**”) will be held at Suite #1305, 1090 West Georgia Vancouver, British Columbia V6E 3V7, at 10:00 a.m. (Vancouver time) on September 10, 2012, as set forth in the notice of Meeting (the “**Notice of Meeting**”).

### Matters to be Considered

At the Meeting, Shareholders will be asked:

- (a) to receive and consider the audited consolidated financial statements of the Corporation for the year ended November 30, 2011, together with the report of the auditors thereon;
- (b) to reappoint Davidson & Company LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration (the “**Auditors Appointment Resolution**”);
- (c) to pass an ordinary resolution to set the number of directors at five (5) (the “**Number of Directors Resolution**”);
- (d) to elect the directors for the Corporation for the ensuing year (the “**Election of Directors Resolution**”);
- (e) to consider and, if deemed appropriate, to pass an ordinary resolution to reapprove the stock option plan (the “**Option Plan**”) implemented by the Corporation in May 2011 (the “**Option Plan Resolution**”); and
- (f) to transact such other business as may properly be brought before the Meeting.

Unless otherwise stated, the information contained in this management information circular (the “**Information Circular**”) is as of August 7, 2012.

### Currency

In this Information Circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

### Quorum

A quorum for the Meeting is two Shareholders present in person or represented by proxy representing a minimum of 5% of the Common Shares.

### Solicitation of Proxies

**This Information Circular is furnished in connection with the solicitation by management of CuOro of proxies to be used at the Meeting to be held on September 10, 2012 for the purposes set forth above and in the enclosed Notice of Meeting. References in this Information Circular to the Meeting include any adjournments or postponements thereof.** It is expected that the solicitation will be primarily by mail but proxies may also be solicited personally by directors, officers or regular employees of the Corporation at nominal cost. The cost of solicitation by management will be borne directly by the Corporation.

## Voting In Person At The Meeting

A registered Shareholder whose name has been provided to the Corporation's registrar and transfer agent, Valiant Trust Company, will appear on a list of Shareholders prepared by the registrar and transfer agent for the purpose of the Meeting. To vote in person at the Meeting, each registered Shareholder will be required to register for the Meeting by identifying themselves at the registration desk.

## Voting of Proxies

Common Shares represented by properly executed proxies in favour of persons designated in the printed portion of the enclosed form of proxy (the "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 that, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. In the absence of such direction Common Shares will be voted FOR each of such matters.** The enclosed Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters which may properly come before the Meeting. At the time of printing this Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. If, however, any such amendments or other matters properly come before the Meeting, the persons named in the accompanying Proxy will vote on such amendments or other matters in accordance with their best judgment.

## Appointment of Proxyholders

Enclosed with this Information Circular is a Proxy for use at the Meeting. The persons named in the enclosed Proxy are officers of the Corporation. If a registered Shareholder cannot attend the Meeting but wishes to vote on the resolutions, the registered Shareholder should sign, date and deliver the enclosed Proxy to the Corporation's registrar and transfer agent, Valiant Trust Company at Proxy Department, Suite 600, 750 Cambie Street, Vancouver, British Columbia, V6B 0A2, or by fax at (604) 681-3067. **A Shareholder may appoint a person or company (who need not be a Shareholder) to represent the Shareholder at the Meeting other than the person or company, if any designated in the Proxy to represent them at the Meeting or any adjournment thereof by striking out the printed name of such person or company and inserting such other person or company's name in the blank space provided in that Proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent indicated on the enclosed envelope not later than 10 a.m. (Vancouver time) on September 6, 2012 or not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting following any adjournments or postponements thereof. Late proxies may be accepted or rejected by the chairman of the Meeting in his discretion, and the chairman is under no obligation to accept or reject any particular late proxy.**

A registered Shareholder forwarding the enclosed Proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the registered Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a registered Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a registered Shareholder or a registered Shareholder's attorney duly authorized in writing or, if the registered Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

## Revocation of Proxies

A Shareholder may revoke a proxy given pursuant to this solicitation by an instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by its attorney authorized in writing, and deposited either at the Corporation's registrar and transfer agent, Valiant Trust Company, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used, or with the chairman of such Meeting on the day of the Meeting, or in any other manner permitted by law.

## Voting by Non-Registered Shareholders

Only registered Shareholders or duly appointed proxyholders are permitted to attend and vote at the Meeting. Many Shareholders are "non-registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (a "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 - *Communication With Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators (the "**CSA**"), the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the 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. Frequently, 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 provided with 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 enclosed Proxy and **deposit it with the Corporation's transfer agent as provided above**; or
- (b) more typically, be provided with 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** (or as an alternative, votes may often be registered by telephone or over the Internet), will constitute voting instructions (often called a "**voting instruction form**") which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form 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 voting instruction 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 Non-Registered Holders to direct the voting of the Common 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 management proxyholders 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 or its service company, including those regarding when and where the proxy or voting instruction form is to be delivered.**

### **Non-Objecting Beneficial Owners**

These Meeting Materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the voting instruction form or Proxy delivered to you.

### **Voting of Common Shares Represented by Management Proxies**

On any ballot that may be called for at the Meeting, the Common Shares represented by each properly executed proxy in favour of the persons designated in the enclosed Proxy received by the Corporation will, subject to Section 174 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), be voted or withheld from voting in accordance with the specifications given by the Shareholder. In the absence of such specifications in an enclosed Proxy where the Shareholder has appointed the persons whose names have been pre-printed in the enclosed Proxy as the Shareholder's nominee at the Meeting, the Common Shares represented by such proxies will be voted **FOR** (a) the Auditors Appointment Resolution; (b) the Number of Directors Resolution; (c) the Election of Directors Resolution; and (d) the Option Plan Resolution.

The enclosed Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. Management knows of no such amendments or variations to matters identified in the Notice of Meeting or other matters to come before the Meeting. However, where a Shareholder has appointed the persons whose names have been pre-printed in the enclosed Proxy as the Shareholder's nominee at the Meeting, if any amendments or variations to matters identified in the Notice of Meeting or other matters which are not now known to Management should properly come before the Meeting, the enclosed Proxy may be voted on such matters in accordance with the best judgment of the person voting the proxy.

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

Other than as disclosed herein, no director or officer of the Corporation who has held such position at any time since the beginning of the Corporation's last financial year, each proposed nominee for election as a director of the Corporation, and associates or affiliates of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting. Directors and officers of the Corporation have an interest in their election as directors of the Corporation and the Option Plan Resolution as such persons are eligible to be and have been granted awards under the Option Plan.



## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Common Shares are listed for trading on the TSX Venture Exchange (the “**TSXV**”). The authorized share capital of the Corporation consists of an unlimited number of Common Shares. As of the date hereof, there are 30,495,620 Common Shares issued and outstanding.

The Corporation has prepared a list of all persons who are registered holders of Common Shares on August 1, 2012 (the “**Record Date**”) and the number of Common Shares registered in their name on that date. Each Shareholder is entitled to one vote on all matters to be acted upon at the Meeting for each Common Share registered in his name as it appears on the list of registered Shareholders. At the close of business on the Record Date there were 30,495,620 Common Shares outstanding. Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to vote at, the Meeting.

Other than as disclosed in the table below, to the knowledge of the directors and officers of the Corporation, as of the date hereof, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the votes attached to all outstanding Common Shares of the Corporation.

Name of Shareholder <sup>(1)</sup>	Number of Common Shares	Percentage of Common Shares <sup>(2)</sup>
HudBay Minerals Inc. <sup>(3)</sup>	3,260,000 <sup>(3)</sup>	10.7%

Notes:

- (1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been obtained by the Corporation from publicly disclosed information.
- (2) On a non-diluted basis.
- (3) HudBay Minerals Inc. also has 1,630,000 Common Share purchase warrants entitling it to purchase 1,225,000 Common Shares at an exercise price of \$1.30 expiring on April 20, 2013 and 405,000 Common Shares at an exercise price of \$2.50 expiring on May 31, 2013.

## PARTICULARS OF MATTERS TO BE ACTED UPON BY SHAREHOLDERS AT THE MEETING

### Presentation of Financial Statements

The audited consolidated financial statements of the Corporation for the year ended November 30, 2011, and report of the auditors thereon, have been approved by the Board of Directors (the “**Board**” or the “**Board of Directors**”) and will be presented at the Meeting. No vote of the Shareholders is required with respect to this item of business.

### Reappointment of Auditors

Davidson & Company LLP (“**Davidson**”) Chartered Accountants are the independent registered certified auditors of the Corporation. Davidson’s appointment was effective July 22, 2010 and later ratified by the Shareholders on July 18, 2011. Management proposes that Davidson be reappointed as auditors of the Corporation, to hold office until the next annual meeting of Shareholders or until a successor is appointed and authorize the Board to fix the remuneration of the auditors.

The Board unanimously recommends that Shareholders vote **FOR** the Auditors Appointment Resolution at the Meeting.

**Unless the Shareholder has specifically instructed in the accompanying Proxy that the Common Shares represented by such Proxy are to be withheld from voting, the persons named in the accompanying Proxy will vote FOR the reappointment of Davidson as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed and to authorize the Board of Directors to fix the remuneration of the auditors.**

## Setting the Number of Directors and the Election Of Directors

The size of the Board of Directors is currently comprised of five (5) members. The Board proposes that the number of directors be set at five (5). At the Meeting, the five (5) persons named hereunder will be proposed for election as directors of the Corporation. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the person named in the accompanying Proxy to vote the Proxy for the election of any other person or person in place of any nominee or nominees unable to serve.

The Board of Directors unanimously recommends that Shareholders vote **FOR** the Number of Directors Resolution and the Election of Directors Resolution.

**Unless the Shareholder has specifically instructed in the accompanying Proxy that the Common Shares represented by such Proxy are to be voted against the Number of Directors Resolution and withheld for the Election of Directors Resolution, the persons named in the accompanying Proxy will vote FOR setting the number of directors at five (5) and the election of the below named directors.**

The following table and the notes thereto state the names and the province or state, and country of residence of all persons proposed to be nominated for election as directors, their periods of service as directors of the Corporation and the number of Common Shares beneficially owned or over which control or direction is exercised by each of them as at the date hereof. If elected, each director will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed.

Name and Province or State, and Country of Residence of Each Proposed Director	Director Since	Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)(2)</sup>
<b>Robert Sedgemore</b> <sup>(5)(6)</sup> Medellin, Colombia	June 14, 2010	625,500 Common Shares
<b>Nick DeMare</b> <sup>(3)(4)(5)</sup> British Columbia, Canada	June 14, 2010	185,000 Common Shares
<b>Dave J. Doherty</b> <sup>(3)(4)(5)</sup> British Columbia, Canada	June 14, 2010	173,000 Common Shares
<b>John Seaman</b> <sup>(3)(4)(5)(6)</sup> Ontario, Canada	April 20, 2011	15,000 Common Shares
<b>Jorge Alberto Uribe</b> <sup>(5)(6)</sup> Medellin, Colombia	July 28, 2011	107,061 Common Shares

**Notes:**

- (1) The information with respect to the Common Shares beneficially owned, controlled or directed is not within the direct knowledge of the Corporation and has been furnished by the respective individuals.
- (2) Particulars of options held by each nominee, if any, are set out in the section "Executive Compensation – Incentive Plan Awards" and "Executive Compensation - Director Compensation – Incentive Plan Awards".
- (3) Member of the Compensation Committee. Mr. Seaman is the Chairman.
- (4) Member of the Audit Committee. Mr. Seaman is the Chairman.
- (5) Member of the Corporate Governance and Nominating Committee. Mr. Doherty is the Chairman.
- (6) Member of the Corporate Responsibility Committee. Mr. Sedgemore is the Chairman.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 1,105,561 Common Shares, representing approximately 3.6% of the issued and outstanding Common Shares as of the date hereof.

### ***Biographies***

The following is a brief description of the current and proposed directors of the Corporation:

#### ***Robert Sedgemore - President, Chief Executive Officer and Director***

Mr. Sedgemore has served as President, Chief Executive Officer and a director of the Corporation since June 14, 2010. Mr. Sedgemore has over 25 years of international operating and project experience in senior management positions for Engineering, Procurement and Construction Management Companies, Junior Exploration & Mining Operations covering a diverse range of commodities including gold, silver, nickel, uranium and copper projects throughout North and South America, Africa and Australia. Previously Mr. Sedgemore was working with the IFC - International Finance Corporation, the private sector of the World Bank, as the Senior Industry Mining Specialist providing technical and economic valuation on global mining investments. Past experience includes Chief Engineer for Zaldivar a Placer Dome operation, General Manager for Outokumpu, Aisco System, and Chief Engineer for BHP at Minera Escondida. Major Greenfield studies include Mirabela Nickel in Brazil, Chirundu Uranium Project in Zambia, Westmoreland Uranium project in Australia, Cloncurry Copper project in Australia, Mt. Margret copper and Uranium project in Australia. Other significant EPCM projects include Codelco Copper Refinery Modernization Project in Chile, BHP Tintaya Copper Oxide Project in Peru, Piedras Verde Copper project in Mexico, CAL Energy Zinc Project in California, Escondida phase 3, Escondida phase 3.5, and Escondida Oxide project in Chile.

Mr. Sedgemore received a C.E.T designation in Instrument Engineering from ISA in 1989 and also received an Instrumentation Engineering Diploma from the Haileybury School of Mines in May, 1987.

#### ***Nick DeMare - Chief Financial Officer and Director***

Mr. DeMare has served as Chief Financial Officer, Corporate Secretary and a Director of the Corporation since June 14, 2010. Since May 1991, Mr. DeMare has been the President of Chase Management Ltd., a private company which provides promotional, administrative, management and financial services to private and public companies engaged in mineral exploration and development, gold and silver production, oil and gas exploration and production and venture capital. He also currently serves as an officer and director of other public reporting companies.

Mr. DeMare holds a Bachelor of Commerce degree from the University of British Columbia and is a member in good standing of the Institute of Chartered Accountants of British Columbia.

#### ***Dave Doherty - Director***

Mr. Doherty has served as a director of the Corporation since June 14, 2010. Mr. Doherty brings over 13 years of investment and finance experience to the Corporation. Mr. Doherty is Founder and President of Inform Capital Corp, offering merchant banking and Corporate Advisory services to a number of companies across many sectors. Prior to joining the Corporation, he was an investment advisor with Canaccord Capital Corporation, Canada's largest independent securities dealer covering the North American capital markets specializing in developing, restructuring, and financing Venture and Natural Resource companies. Mr. Doherty is a director of Doca Capital Corp., and was a founding member of Dagilev Capital (now Astur Gold).

Mr. Doherty holds a Bachelor of Arts Degree from Simon Fraser University, with a major in Finance.

#### ***John Seaman - Director***

Mr. Seaman has served as a director of the Corporation since April 20, 2010. Mr. Seaman has been involved with several successful mining projects and is currently Chief Executive Officer of QRS Capital

Corp. since 2008 and Chief Financial Officer of Tembo Gold Corp since July 15, 2011. Mr. Seaman previously held the position of Chief Financial Officer for Premier Gold Mines Limited from August 2006 to June 2012 and the position of Chief Financial Officer of Wolfden Resources Inc. from October 2002 until its sale in June 2007. Mr. Seaman is also the Chief Executive Officer for ORS, an exploration company developing projects in Mexico.

***Jorge Alberto Uribe - Director***

Mr. Uribe was Colombia's former Minister of Defense, having served from 2003-2005. Mr. Uribe completed a degree in economics at George Washington University, followed by post-graduate work in international marketing at Besan'on University in France. He previously held the position of National Director at Comex, a Colombian exporting company. In 1965 Mr. Uribe joined DeLima Marsh S.A., one of Colombia's largest insurance brokerage companies, and now a subsidiary of Marsh & McLennan, a multinational professional services firm. Mr. Uribe served in numerous senior management positions at DeLima Marsh, ultimately ascending to its presidency, until Colombian President Alvaro Uribe named him Minister of Defense in 2003.

***Cease Trade Orders or Bankruptcies***

Except as stated below, no proposed director of the Corporation:

1. is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
  - (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, 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; or
2. is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
3. has, within the 10 years, before the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to, or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Nick DeMare, a director and officer of the Corporation, was an independent director of Andean American Resources Limited ("**Andean American**") from August, 2002 until January, 2011. On August 2, 2007, Andean American was issued a cease trade order by the British Columbia Securities Commission for deficiencies in Andean American's continuous disclosure material related to its resource properties for deficiencies in a previously filed National Instrument 43-101 technical report. On October 22, 2007, Andean American filed an amended technical report and issued a clarifying release. The cease trade order was lifted and the shares resumed trading on October 24, 2007.

Mr. DeMare is also a director of Salazar Resources Limited (“**Salazar**”). On September 10, 2010, Salazar was issued a cease trade order by the British Columbia Securities Commission for deficiencies in Salazar’s continuous disclosure material related to its resource properties for deficiencies in a previously filed National Instrument 43-101 technical report. On October 14, 2010, Salazar filed an amended technical report and issued a clarifying release. The cease trade order was lifted and the shares resumed trading on October 18, 2010.

John Seaman ceased being a director of MBMI Resources Inc. (“**MBMI**”) on July 29, 2011. On September 21, 2007, MBMI was issued a cease trade order by the British Columbia Securities Commission for deficiencies in MBMI’s previously filed National Instrument 43-101 technical report. On October 5, 2007, MBMI filed an amended technical report and issued a clarifying news release. The cease trade order was lifted and the shares resumed on November 8, 2007.

### ***Penalties or Sanctions***

As at the date hereof, no proposed director of the Corporation has been subject to:

1. any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
2. any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director.

### **Option Plan Reapproval**

The Board approved the implementation of the Option Plan in May 2011, which was later approved by the Shareholders in June 2011. Under the terms and conditions of the Option Plan, up to a maximum of 10% of the issued and outstanding Common Shares are reserved for issuance to directors, officers, employees and consultants. Please see “Securities Authorized for Issuance under Equity Compensation Plans – The Option Plan” for a summary of the Option Plan. The Option Plan is a “rolling plan” within the meaning of applicable TSXV policies.

TSXV policy requires that rolling stock option plans, such as that of the Corporation, be approved and ratified by shareholders and approved by the TSXV on an annual basis.

The Option Plan is attached hereto as Schedule “B”.

### ***Board of Directors’ Recommendation***

The Board of Directors unanimously recommends that the Shareholders vote **FOR** the reapproval of the Option Plan Resolution.

### ***Approval***

Shareholders will be asked to consider and, if deemed appropriate, to pass the Option Plan Resolution. Pursuant to the provisions of the BCBCA, in order to be effective, the Option Plan Resolution must be approved by not less than a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting.

**Unless the Shareholder has specifically instructed in the enclosed Proxy that the Common Shares represented by such Proxy are to be voted against the Option Plan Resolution, the persons named in the accompanying Proxy will vote FOR the Option Plan Resolution.**

The following is the text of the Option Plan Resolution which will be put forward for approval by the Shareholders at the Meeting:

**“BE IT RESOLVED THAT:**

1. the Option Plan, as described in this Information Circular and attached as Schedule “B” hereto, is hereby ratified, approved and confirmed; and
2. any director or officer of the Corporation be, and such director or officer of the Corporation is hereby, authorized, instructed and empowered, acting for, in the name of and behalf of the Corporation, to do or to cause all such other acts and things in the opinion of such director or officer of the Corporation as may be necessary or desirable in order to fulfill the intent of this foregoing resolution.”

**Other Matters**

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matter properly comes before the Meeting, the Proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the Proxy.

**EXECUTIVE COMPENSATION**

**Compensation Discussion and Analysis**

The Corporation was a capital pool company (a “**CPC**”) for the years ended November 30, 2010 and November 30, 2009 and in accordance with the policies of the TSXV no active business operations were conducted. The Corporation completed its qualifying transaction on April 20, 2011. Up to the time of the qualifying transaction, the NEOs (as defined herein) were not compensated for their services as executive officers of the Corporation, except through the grant of incentive stock options from time to time.

***Objectives of Compensation Program***

Securities legislation requires the disclosure of compensation received by each “Named Executive Officer” (referred to herein as a “**NEO**”) of the Corporation for the three most recently completed financial years. “Named Executive Officer” is defined by the legislation to mean: (i) each of the Chief Executive Officer and the Chief Financial Officer of the Corporation; (ii) each of the Corporation’s three most highly compensated executive officers, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation, individually, exceeded \$150,000 in that year; and (iii) any additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an executive officer of the Corporation or its subsidiaries at the end of the most recently completed financial year of the Corporation. Robert Sedgemore, President and Chief Executive Officer and Nick DeMare, Chief Financial Officer are considered to be NEOs.

The Corporation believes that the creation of long term value for Shareholders depends on its ability to attract, motivate and retain highly talented executives. The Corporation intends to encourage sustained future profitability and increase Shareholder value by relating certain components of executive compensation to the Corporation’s operating and financial performance. Using equity based compensation and other mechanisms, the Corporation aims to align the long-term interests of its executive team with that of its Shareholders. It is intended that the Corporation’s compensation program is also designed to increase the probability of retaining key employees.

## ***Overview of Compensation Philosophy***

It is the Corporation's intention that the following principles shall guide the Corporation's overall compensation philosophy going forward: (a) providing a fair and competitive level of compensation; (b) attracting, retaining and motivating its executives who are critical to the Corporation's long-term success; (c) rewarding performance, both on an individual basis and with respect to the business in general; and (d) reinforcing the link between Shareholders' interests and the compensation of the Corporation's executives.

In order to achieve these objectives, it is anticipated that the compensation paid to executive officers may consist of one or more of the following four components: (a) base salary; (b) annual performance-based incentives; (c) option grants under the Option Plan; and (d) various benefits and perquisites.

## ***Elements of Executive Compensation***

The three main elements of compensation of the NEOs include annual compensation in the form of base salary, annual performance-based incentives, in the form of cash bonuses, and long-term equity based incentives in the form of option grants under the Option Plan. Competitive benefits and perquisites are also provided. In determining the amounts of each element of compensation discussed below, the Corporation relies mainly on discussions of the Board and Compensation Committee without any formal objectives, criteria or analysis.

### *Cash-Based Compensation*

**Base Salary** – Salaries form an essential component of the Corporation's compensation package as they are the first base measure to compensate performance as well as to remain competitive relative to peers in the industry. Base salaries are fixed and therefore not subject to uncertainty and are used as the base to determine other elements of compensation and benefits. Each NEO is paid an annual salary that takes into account his or her existing professional qualifications and experience. The NEOs' performances and salaries are to be reviewed periodically by the Chief Executive Officer and Compensation Committee on the anniversary of their employment with the Corporation. The Chief Executive Officer's performance is reviewed by the Compensation Committee and full Board annually.

**Performance-Based Cash Incentives** – Cash incentives are a variable component of compensation designed to reward the Corporation's executive officers for maximizing the Corporation's annual performance. All significant awards are at the discretion of the Board taking into consideration the recommendations of the Compensation Committee. Bonuses were determined and approved by the Board in consultation with the Compensation Committee based on the individual's performance throughout the year. In a similar manner, the Compensation Committee and full Board reviews the Chief Executive Officer's performance and determines his eligibility for a cash bonus.

Mr. Sedgemore was awarded a bonus of \$60,000 for the year ended November 30, 2011 on account of services rendered.

### *Equity-Based Incentives*

**Stock Options** – Options act as a variable component of compensation intended to attract, motivate and reward the executive officers and directors of the Corporation in advancing the success and interests of the Corporation. In determining the number of options to be granted under the Option Plan, Management proposes option grants to the Board and the Compensation Committee and/or the Board gives consideration to, among other things, the individual's current and potential contribution to the success of the Corporation, previous grants, hiring incentives and the relative position of the individual within the Corporation. The Corporation may grant options annually and/or based upon the completion of specified projects such as significant financings or transactions.

Additionally, the Corporation may also utilize the grant of options upon hiring of new employees as an element of compensation designed to attract qualified personnel. The grant of Options would typically be included in the terms of the particular individual's employment agreement and the number of options granted would depend on the particular responsibilities of the position and the individual's level of experience. Please see "Securities Authorized for Issuance Under Equity Compensation Plans – The Option Plan" for further details regarding the Option Plan.

### **Benefits and Perquisites**

Perquisites such as health and life insurance plans, transportation allowances and other usual perquisites may be provided for executives in order to ensure that the Corporation's compensation packages are competitive.

### **Compensation Governance**

#### ***Role of the Compensation Committee***

The Corporation established a Compensation Committee in May 2011 to ensure that the Corporation has a compensation program that is both motivational and competitive while meeting the objectives of the Corporation.

Currently, the primary responsibilities and, powers of the Compensation Committee are to assist the Board in fulfilling its oversight mandate by:

- (a) reviewing and approving and then recommending to the Board salary, bonus, and other benefits, direct or indirect, and any change of control packages of the Chief Executive Officer and other members of the senior management team;
- (b) reviewing compensation of the Board on an annual basis;
- (c) considering, and if applicable, benchmarking against the Corporation's peer groups;
- (d) administering the Corporation's compensation plans, including the Corporation's Option Plan, and such other compensation plans or structures as are adopted by the Corporation from time to time;
- (e) reviewing trends in employment benefits; and
- (f) establishing and periodically reviewing the Corporation's policies in the area of management benefits and perquisites.

The Compensation Committee is comprised of three independent directors, who meet as often as the committee deems reasonably necessary. The members of the Compensation Committee are Messrs. Seaman, DeMare and Doherty. The Board believes that by virtue of their experience as executive officers and presidents of various mining and financial companies and their experience in corporate governance, the Compensation Committee has the diversity of skills to make informed and independent decisions on compensation matters for the Corporation. During the most recent fiscal year, the Compensation Committee met and corresponded frequently on compensation matters.

Please see "Corporate Governance Practices – Compensation Committee" for the relevant education and experience of members of the Compensation Committee.

### ***Risk Management***

During the year ended November 30, 2011, neither the Board nor a committee of the Board considered the implications of the risks associated with the Corporation's compensation policies and practices.



However, the Corporation believes its compensation policies alleviate risk by having a balance of short term and long term compensation.

### **Compensation Consultants and Advisors**

No compensation consultants or advisors were retained by the Corporation during the year ended November 30, 2011 or in the previous year ended November 30, 2010.

### **Hedging Policy**

NEOs and directors of the Corporation are not permitted to purchase financial instruments, of any kind, 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.

### **Summary Compensation Table**

The following table provides the information regarding compensation earned for the financial years ended November 30, 2011, November 30, 2010 and November 30, 2009, in respect of the NEOs, in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation*.

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Robert Sedgemore, President and Chief Executive Officer	2011	\$278,529 <sup>(2)</sup>	Nil	251,781	Nil	Nil	Nil	64,056 <sup>(3)</sup>	594,366
	2010	Nil	Nil	\$76,306	Nil	Nil	Nil	Nil	\$76,306
	2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nick DeMare Chief Financial Officer	2011	17,500	Nil	253,658 <sup>(4)</sup>	Nil	Nil	Nil	53,700 <sup>(5)</sup>	324,858
	2010	Nil	Nil	\$13,000	Nil	Nil	Nil	Nil	\$13,000
	2009	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes:**

- (1) Represent the total grant date fair value of options granted and may not represent the amounts the recipient will actually realize from the awards. The fair value of the options has been estimated at the date of the grant in accordance with IFRS using a Black-Scholes option pricing model. The fair value of the options granted to Messrs. Sedgemore and DeMare were based on the following weighted average assumptions: risk-free interest rate of 2.35%-2.74%, dividend yield of 0%, a forfeiture rate of 0%, volatility factor of 74.71%-90.88% and expected life of 5 years.
- (2) Effective May 1, 2010, Mr. Sedgemore was paid a monthly salary of US\$18,333 and a signing bonus of US\$150,000.
- (3) Includes a \$27,600 for relocation, \$31,678 for apartment rent and \$4,778 for school tuition.
- (4) Includes \$46,388 for 50,000 options granted to Chase Management Ltd. ("Chase").
- (5) Paid to Chase for accounting, secretarial and management services.

### **Incentive Plan Awards**

The following table provides information regarding the incentive plan awards for each Named Executive Officer for the year ended November 30, 2011.

Name	Option-based Awards					Share-based Awards		
	Option grant date	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Robert Sedgemore President and Chief Executive Officer	August 24, 2011 April 20, 2011 November 16, 2008	150,000 70,000 586,966	\$2.00 \$1.00 \$0.52	August 24, 2016 April 20, 2016 November 16, 2013	Nil \$20,300 \$451,964	Nil Nil Nil	N/A N/A N/A	N/A N/A N/A
Nick DeMare Chief Financial Officer	August 24, 2011 April 20, 2011 November 16, 2008	50,000 100,000 100,000	\$2.00 \$1.00 \$0.52	August 24, 2016 April 20, 2016 November 16, 2013	Nil \$29,000 \$77,000	Nil Nil Nil	N/A N/A N/A	N/A N/A N/A

Note:

- (1) These options were granted effective the date reflected in the option grant date column. "In-the-money" options means the excess of the market value of the Common Shares on November 30, 2011 over the exercise price of the options. At the close of trading on November 30, 2011, the Common Shares had a market value of \$1.29 per Common Share.

The following table provides information regarding the value vested or earned on incentive plan awards for the year ended November 30, 2011:

Name	Option-based Awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert Sedgemore President and Chief Executive Officer	Nil	Nil	Nil
Nick DeMare Chief Financial Officer	Nil	Nil	Nil

Note:

- (1) Aggregate dollar value that would have been realized if the options had been exercised on the vesting date (computed based on the difference between the market price of shares and the exercise price of the options on the vesting date). The options were granted with immediate vesting at the market price, therefore the value vested during the year was nil.

### **Termination and Change of Control Benefits**

The Corporation does not have in place any compensatory plan, severance pay provisions or other arrangement with any NEO as of the financial year ended November 30, 2011 that would be triggered by the resignation, retirement or other termination of employment of such officer, resulting from a change of control of the Corporation or change in the executive's responsibilities following any such change in control.

### **Director Compensation**

The table below provides all amounts of compensation paid or accrued to the Corporation's current and former directors, who were not NEOs, for the year ended November 30, 2011.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
David J. Doherty	\$17,500	Nil	\$196,116	Nil	Nil	Nil	\$213,616
Craig Taylor <sup>(1)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Seaman <sup>(2)</sup>	\$6,000	Nil	\$196,116	Nil	Nil	Nil	\$202,116
Jorge Alberto Uribe <sup>(3)</sup>	Nil	Nil	\$112,458	Nil	Nil	Nil	\$112,458

**Notes:**

- (1) Mr. Taylor resigned as a director on April 20, 2011. Mr. Taylor exercised these options on May 16, 2011.
- (2) Mr. Seaman was appointed as a director of the Corporation on April 20, 2011.
- (3) Mr. Uribe was appointed as a director of the Corporation on July 21, 2011.

### Incentive Plan Awards

The following table provides information regarding the incentive plan awards outstanding for the directors, who were not NEOs, for the year ended November 30, 2011.

Name	Option-based Awards					Share-based Awards		
	Option grant date	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
David J. Doherty	August 24, 2011 April 20, 2011 November 16, 2008	90,000 90,000 200,000	\$2.00 \$1.00 \$0.52	August 24, 2016 April 20, 2016 November 16, 2013	Nil \$20,300 \$154,000	Nil Nil Nil	N/A N/A N/A	N/A N/A N/A
Craig Taylor <sup>(2)</sup>	N/A	Nil	N/A	N/A	N/A	Nil	N/A	N/A
John Seaman <sup>(3)</sup>	August 24, 2011 April 20, 2011	90,000 70,000	\$2.00 \$1.00	August 24, 2016 April 20, 2016	Nil \$20,300	Nil Nil	N/A N/A	N/A N/A
Jorge Alberto Uribe <sup>(4)</sup>	July 21, 2011	100,000	\$2.00	July 21, 2016	Nil	Nil	N/A	N/A

**Notes:**

- (1) These options were granted effective the date reflected in the option grant date column. "In-the-money" options means the excess of the market value of the Common Shares on November 30, 2011 over the exercise price of the options. At the close of trading on November 30, 2011, the Common Shares had a market value of \$1.29 per Common Share.
- (2) Mr. Taylor resigned as a director on April 20, 2011. Mr. Taylor exercised these options on May 16, 2011.
- (3) Mr. Seaman was appointed as a director of the Corporation on April 20, 2011.
- (4) Mr. Uribe was appointed as a director of the Corporation on July 21, 2011.

The following table provides information regarding the value vested or earned on incentive plan awards for the directors, who were not NEOs, for the year ended November 30, 2011:

Name	Option-based Awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David J. Doherty	Nil	Nil	Nil
Craig Taylor <sup>(2)</sup>	Nil	Nil	Nil
John Seaman <sup>(3)</sup>	Nil	Nil	Nil
Jorge Alberto Uribe <sup>(4)</sup>	Nil	Nil	Nil

**Notes:**

- (1) Aggregate dollar value that would have been realized if the options had been exercised on the vesting date (computed based on the difference between the market price of shares and the exercise price of the options on the vesting date). The options were granted with immediate vesting at the market price, therefore the value vested during the year was nil.
- (2) Mr. Taylor resigned as a director on April 20, 2011. Mr. Taylor exercised these options on May 16, 2011.
- (3) Mr. Seaman was appointed as a director of the Corporation on April 20, 2011.
- (4) Mr. Uribe was appointed as a director of the Corporation on July 21, 2011.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Equity Compensation Plan Information

The only compensation plan of the Corporation under which equity securities are currently authorized for issue is the Option Plan. The Option Plan was previously adopted by the Shareholders of the Corporation in June 2011. The table below summarizes information in relation to the Common Shares reserved for issuance under the Option Plan as of November 30, 2011.

Plan	Number of Securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options (\$)	Number of Securities remaining available for issuance
Option Plan (approved by Shareholders)	2,906,752	\$1.12	123,698 <sup>(1)</sup>
Option Plan (not approved by Shareholders)	N/A	N/A	N/A

**Note:**

- (1) Based on 10% of the Corporation's issued and outstanding Common Shares as of the end of the Corporation's most recently completed financial year.

As of the date hereof, there are 2,942,752 options of the Corporation outstanding, representing approximately 9.65% of the current issued and outstanding Common Shares of the Corporation). Since the commencement of the Corporation's last financial year to the date of this Information Circular, no options have been exercised by the directors or officers of the Corporation.

### The Option Plan

The purpose of the Option Plan is to attract, retain and motivate directors, officers, employees and consultants by providing them with the opportunity, through share options, to acquire a proprietary interest in the Corporation and benefit from its growth.

The Option Plan provides that up to 10% of the issued and outstanding Common Shares from time to time may be reserved for issue, less any Common Shares reserved for issuance under any other share compensation arrangement. The options are non-assignable and may be granted for a term not exceeding ten years.

Options may be granted to directors, officers, employees and consultants subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Common Shares may be listed or may trade from time to time. The total number of Common Shares which may be reserved for issuance, together with any other employee stock option plans or options for services, to any a director, officer, employee, consultant, or consultant company (the “**Service Provider**”) under the Option Plan within any one year period shall not exceed 5% of the outstanding issue, unless the Corporation has obtained by a majority of the votes cast by the shareholders of the Corporation eligible to vote at a shareholders’ meeting, excluding votes attaching to Common Shares beneficially owned by insiders and their associates (“**Disinterested Shareholder Approval**”). The maximum number of Common Shares which may be issued to insiders under the Option Plan, any other employer stock option plans or options for services, shall be 10% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis), unless the Corporation has obtained Disinterested Shareholder Approval to do so.

The maximum number of stock options which may be granted to any one consultant under the Option Plan, within any 12 month period, must not exceed 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of stock options which may be granted to a Service Provider performing investor relations services under the Option Plan, within any 12 month period must not exceed, in the aggregate, 2% of the Common Shares issued and outstanding at the time of the grant (on a non-diluted basis).

The exercise price of options issued to an insider must not be reduced, unless the Corporation has obtained Disinterested Shareholder Approval to do so.

## **CORPORATE GOVERNANCE PRACTICES**

### **Board of Directors**

The Board is of the view that maintaining effective corporate governance practices is an important factor which contributes to the general success of the Corporation. The Board is responsible for the supervision of the Corporation’s business and affairs.

As of the date hereof, the Board is composed of five (5) directors, Messrs. Sedgemore, DeMare, Doherty, Seaman and Uribe. The independent members of the Board are Messrs. Doherty, Seaman and Uribe, within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) adopted by the Canadian Securities Administrators. The non-independent members of the Board are Mr. Sedgemore (current Chief Executive Officer and President), and Mr. DeMare (current Chief Financial Officer). Messrs. Sedgemore and DeMare have been determined to be non-independent within the meaning of NI 58-101 by virtue of their positions with the Corporation.

The Board is of the opinion that its proposed size is adequate, given the purpose of the Corporation, and will further the efficiency of its deliberations, while ensuring a diversity of opinion and experience. The Corporation believes that each and every current and proposed director is eager to fulfil his obligations and assume his responsibilities in the best interests of the Corporation and of all the Shareholders and not in the best interests of himself or a particular group of Shareholders.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Corporation’s financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent directors did not hold any regularly scheduled meetings during the year ended November 30, 2011, at which non-independent directors and members of management were not in attendance. To facilitate open and candid discussion among its independent directors, at Board meetings, as applicable, non-independent directors have been asked to leave the meeting. In addition, any item which could involve a potential conflict of interest among one or more directors is voted on by those

directors that are not related to the conflict in question. It is anticipated that independent directors' meetings will be held as deemed appropriate during the current financial year.

### Directorships

The following table summarizes current directorships of other reporting issuers for the current directors of the Corporation:

Name	Name of Reporting Issuer	Name of Exchange or Market
Robert Sedgemore	Tembo Gold Corp.	TSXV
	QRS Capital Corp.	TSXV
Nick DeMare	Astral Mining Corporation	TSXV
	Batero Gold Corp.	TSXV
	Cliffmont Resources Ltd.	TSXV
	East West Petroleum Corp.	TSXV
	Flinders Resources Limited	TSXV
	GeoPetro Resources Company	AMEX
	GGL Diamond Corp.	TSXV
	Golden Peaks Resources Ltd.	TSX
	Hansa Resources Limited	TSXV
	Halo Resources Ltd.	TSXV
	Kola Mining Corp.	TSXV
	Lariat Energy Ltd.	TSXV
	Mawson Resources Limited	TSX
	Mirasol Resources Ltd.	TSXV
	Rochester Resources Ltd.	TSXV
	Salazar Resources Limited	TSXV
	Tasman Metals Ltd.	TSXV
	Tinka Resources Limited	TSXV
	Tumi Resources Limited	TSXV
John Seaman	Premier Gold Mines Limited	TSX
	T.B. Mining Ventures Inc.	TSXV
	Valor Ventures Inc.	NEX of TSXV
	QRS Capital Corp.	TSXV
David Doherty	Doca Capital Corp.	TSXV

### Orientation and Continuing Education

While the Corporation does not have a formal orientation and training program, new Board members are provided with:

- (a) information respecting the functioning of the Board and its committees;
- (b) information respecting the nature and operation of the business of the Corporation;

- (c) access to recent, publicly filed documents of the Corporation, technical reports and the Corporation's internal financial information;
- (d) access to management and technical experts and consultants; and
- (e) a summary of significant corporate and securities responsibilities.

New directors of the Corporation are provided with insight from other Board members and management regarding the contribution which they are expected to make to the Board in terms of both time and resource commitments. Board members are also encouraged to communicate with management, auditors, technical experts and consultants to keep themselves current with industry trends and developments and changes in legislation; and to attend related industry seminars and visit the Corporation's operations, to ensure that each member of the Board maintains the skill and knowledge necessary to meet their obligations as directors.

### **Ethical Business Conduct**

The Board has adopted a written Code of Business Ethics and Conduct (the "**Code**") intended to document the principles of conduct and ethics to be followed by the employees, officers, directors and consultants of the Corporation and its subsidiaries. The Code provides guidance to employees, officers, directors and consultants of the Corporation and its subsidiaries on how to conduct the Corporation's business and to identify critical issues requiring ethical and legal consideration. The Code is designed to help prevent and detect unethical behaviour and/or potential conflicts of interest. Specifically, it deals with fostering a non-discriminatory work environment, dealing with third party relationships, legal compliance, confidential information and records, use of the Corporation's property and assets, reporting violations of the Code and the review process for the Code.

The Corporation also has adopted a written Whistleblower Policy (the "**Whistleblower Policy**") which establishes procedures for dealing with submissions related to complaints and violations of, among other things, the Code.

The Code has been filed under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Nomination of Directors**

The Corporate Governance and Nominating Committee has the responsibility for identifying potential Board candidates. It monitors and assesses the mix of skills and competencies required in order for the Board to fulfil its role effectively. Representatives of the mining industry are also consulted for possible candidates. In addition, the Corporate Governance and Nominating Committee discusses with each individual Board member his intention to continue to serve as a Board member in order to plan and prepare for succession at the Board level in a seamless manner.

### **Compensation of Directors and Officers**

The Corporation has established a Compensation Committee which is responsible for determining compensation matters for the Corporation. The Compensation Committee is set up to ensure that compensation is competitive within the industry and aligns the interests of such individuals with those of the Corporation. Please see "Executive Compensation – Compensation Governance" for additional details with respect to the Compensation Committee.

### **Board Committees**

CuOro has four committees: the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Corporate Responsibility Committee. The Board of Directors has established these committees to assist it in fulfilling its mandate and to satisfy various

regulatory obligations. The Board of Directors oversees the operations of these committees, the appointment of their members, their compensation and their conduct.

### ***Audit Committee***

The overall purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to: the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures; internal controls over financial reporting; compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics; the external auditors' qualifications and independence; and the performance of the internal audit function and the external auditor.

#### *Charter and Composition of the Audit Committee*

The members of the Audit Committee are Messrs. DeMare, Doherty and Seaman (Chair). All members are independent directors in accordance with National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) and are “financially literate” within the meaning of Section 1.6 of NI 52-110, as a result of their prior financial experience in a management capacity or as member of audit committee of public companies or as certified accountant performing audit services (see “Particulars of Matters To Be Acted Upon By Shareholders At The Meeting – Election of Directors – Biographies” and below for further details).

The text of the Audit Committee's Charter may be found in the attached Schedule “A”.

#### *Relevant Education and Experience*

Set out below is a general description of the education and experience of each current Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member, as set out in National Instrument Form 52-110F2:

**Nick DeMare** - Mr. DeMare holds a Bachelor of Commerce degree from the University of British Columbia and is a member in good standing of the Institute of Chartered Accountants of British Columbia. Mr. DeMare has served as a director and officer for several public reporting companies, gaining a range of experience in dealing with audit committee matters of junior exploration companies.

**Dave Doherty** - Mr. Doherty holds a Bachelor of Arts Degree from Simon Fraser University, with a major in Finance. Mr. Doherty has over 13 years of investment and finance experience and has been an investment advisor with Canaccord Capital Corporation. Mr. Doherty is also the Founder and President of Inform Capital Corp., offering merchant banking and Corporate Advisory services to a number of companies across many sectors.

**John Seaman** - Mr. Seaman has been involved with several successful mining projects, is currently the Chief Financial Officer of Tembo Gold Corp. and was previously the Chief Financial Officer of each of Wolfden Resources Inc. and Premier Gold Mines Limited.

#### *Audit Committee Oversight*

At no time since the commencement of CuOro's year ended November 30, 2011 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.



### Reliance on Certain Exemptions

During its most recently completed financial year, CuOro has not relied on any exemptions under NI 52-110. The Board of Directors has adopted the recommendation of the Audit Committee on the compensation of the external auditor. However, CuOro is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110 given that it is a venture issuer as defined in NI 52-110.

### Pre-Approval Policies and Procedures

The Audit Committee of CuOro has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee's charter attached hereto as Schedule "A".

### Report on Auditor's Fees

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

<b>Fees</b>	<b>Year Ended November 30, 2011 (\$)</b>	<b>Year Ended November 30, 2010 (\$)</b>
Audit Fees <sup>(1)</sup>	61,420	12,750
Audit Related Fees <sup>(2)</sup>	15,300	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All other fees <sup>(4)</sup>	Nil	6,000
<b>Total fees</b>	<b>76,720</b>	<b>18,750</b>

**Notes:**

- (1) Audit Fees consist of fees paid or accrued for the annual audit of CuOro's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements..
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Issuer's financial statements that are not included under the heading "Audit Fees"
- (3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees". These fees related to work done in conjunction with CuOro's qualifying transaction.

### **Compensation Committee**

The members of the Compensation Committee are Messrs. DeMare, Doherty and Seaman (Chair). The role of the Compensation Committee includes evaluating the performance of the Chief Executive Officer and the Board, approving all compensation for executive officers and directors, recommending compensation plans, including equity-based compensation plans, to the Board, and reviewing annually the Corporation's benefits programs. Please see "Executive Compensation – Compensation Governance" for additional details with respect to the function of the Compensation Committee.

### Relevant Education and Experience

Set out below is a general description of the education and experience of each Compensation Committee member relevant to each individual's performance as a member of the Compensation Committee:

**Nick DeMare** - Mr. DeMare holds a Bachelor of Commerce degree from the University of British Columbia and is a member in good standing of the Institute of Chartered Accountants of British Columbia. Mr. DeMare has served as a director and officer for many public reporting companies, gaining a range of experience in dealing with compensation matters of junior exploration companies since 1986.

**Dave Doherty** - Mr. Doherty holds a Bachelor of Arts Degree from Simon Fraser University, with a major in Finance. Mr. Doherty has over 13 years of investment and finance experience and has been an investment advisor with Canaccord Capital Corporation. Mr. Doherty is also the Founder and President of Inform Capital Corp., offering merchant banking and Corporate Advisory services to a number of companies across many sectors.

**John Seaman** - Mr. Seaman has been involved with several successful mining projects, is currently the Chief Financial Officer of Tembo Gold Corp. and was previously the Chief Financial Officer of each of Wolfden Resources Inc. and Premier Gold Mines Limited.

### **Corporation Governance and Nominating Committee**

The members of the Corporation Governance and Nominating Committee are Messrs. DeMare, Doherty (Chair), Seaman, Sedgemore and Uribe. The Corporation Governance and Nominating Committee monitors corporate governance issues, including the governance of the Board and Board committees. This Committee's mandate includes establishing criteria for selection of directors, recruiting candidates and making recommendations to the Board for nominees as director; recommending to the Board corporate governance principles addressing the size, composition and responsibilities of the Board and its committees, and recommending changes to corporate governance principles from time to time; and evaluating the performance of directors, the Board and committees.

### **Corporate Responsibility Committee**

The members of the Corporate Responsibility Committee are Messrs. Seaman, Sedgemore (Chair) and Uribe. The Corporate Responsibility Committee reviews the development and implementation of strategies, policies and management systems relating to safety, health, environmental stewardship, project permitting, local communities and corporate responsibility generally. This includes assisting management in implementing and maintaining appropriate health, safety and corporate responsibility programs and obtaining periodic reports on such programs.

### **Assessments**

The Corporation Governance and Nominating Committee is responsible for assessing the effectiveness and contributions of the Board as a whole, its committees and individual directors.

## **INDEBTEDNESS OF MANAGEMENT AND DIRECTORS**

None of the Corporation's directors, executive officers, employees, former executive officers, former directors, former employees, currently or formerly proposed nominees for election as a director, nor any associate of any such individual, is at the date hereof, or has been since the commencement of the financial year of the Corporation ended November 30, 2011, indebted to the Corporation or any subsidiary of the Corporation in connection with the purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries either as at the date of this Information Circular or at any time since the commencement of the financial year of the Corporation ended November 30, 2011.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No director, officer, proposed management nominee for director or person who, to the knowledge of the directors or officers of the Corporation, beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the votes attached to all outstanding Common Shares of the Corporation, informed person or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect CuOro.

## **ADDITIONAL INFORMATION AND AVAILABILITY OF DOCUMENTS**

Additional information relating to the Corporation may be found under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Inquiries including requests for copies of the Corporation's financial statements and management's discussion and analysis for the year ended November 30, 2011 may be directed to the Corporation's Secretary at Suite 1305 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, telephone number: (604) 685-9316 or fax number: (604) 683-1585. Copies of documents will be provided free of charge to securityholders of the Corporation.

Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the year ended November 30, 2011 which is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **APPROVAL**

The contents and sending of this Information Circular have been approved by the Board of Directors of the Corporation.

DATED this 7<sup>th</sup> day of August 2012.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
CUORO RESOURCES CORP.**

*(signed) "Robert Sedgemore"*

Robert Sedgemore  
President, Chief Executive Officer and Director

**SCHEDULE "A"**  
**AUDIT CHARTER COMMITTEE**

**1. PURPOSE**

The Audit Committee (the "Committee") is a committee of the board of directors (the "Board") of CuOro Resources Corp. (the "Corporation"). Its purpose is to assist the Board in fulfilling its oversight responsibilities with respect to:

- (a) the financial reporting process and the quality, transparency and integrity of the Corporation's financial statements and other related public disclosures;
- (b) the Corporation's internal controls over financial reporting;
- (c) the Corporation's compliance with legal and regulatory requirements relevant to the financial statements and financial reporting;
- (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
- (e) the external auditors' qualifications and independence; and
- (f) the performance of the internal audit function and the external auditors.

The function of the Committee is oversight. The members of the Committee are not full-time employees of the Corporation. The Corporation's management is responsible for the preparation of the Corporation's financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Corporation's external auditors are responsible for the audit or review, as applicable, of the Corporation's financial statements in accordance with applicable auditing standards and laws and regulations.

**2. COMPOSITION**

- 2.1 The Committee shall be appointed annually by the Board and shall be comprised of a minimum of three directors. If an appointment of members of the Committee is not made as prescribed, the members shall continue as such until their successors are appointed. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board.
- 2.2 All of the members of the Committee shall be directors whom the Board has determined meet all applicable rules and regulations of securities regulatory authorities and/or stock exchanges, including but not limited to, being independent and "financially literate" within the meaning of National Instrument 52-110 Audit Committees.
- 2.3 The Chair of the Committee will be designated by the Board from among the members of the Board. Such Chair shall serve as a liaison between members and senior management. If for any reason a Chair of the Committee is not appointed by the full Board, members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.

**3. MEETINGS**

- 3.1 The Committee shall have a minimum of four meetings per year, to coincide with the Corporation's financial reporting cycle. Additional meetings will be scheduled as considered

necessary or appropriate, including to consider specific matters at the request of the external auditors or the Chief Financial Officer.

- 3.2 The time and place of the meetings of the Committee, the calling of meetings and the procedure and agenda for such meetings shall be determined by the Chair of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of conference telephone or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
- 3.3 A majority of members of the Committee will constitute a quorum at each meeting.
- 3.4 The Committee will hold an in camera session without any members of management present at each meeting.
- 3.5 The Committee will keep minutes of its meetings which shall be available for review by the Board.
- 3.6 The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
- 3.7 The Committee may invite such directors, senior officers and other employees of the Corporation and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.
- 3.8 Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose.
- 3.9 The Committee will report its determinations and recommendations to the Board. All determinations and recommendations of the Committee shall require the approval of the Board prior to implementation, unless otherwise delegated to the Committee by the Board.

#### **4. RESOURCES AND AUTHORITY**

The Committee has the authority to:

- (a) engage, at the expense of the Corporation, independent counsel, accounting and other experts or advisors as considered advisable in its sole discretion, at the expense of the Corporation, which shall provide adequate funding for such purposes;
- (b) determine and pay the compensation for any independent counsel, accounting and other experts or advisors retained by the Committee;
- (c) (c)conduct any investigation in the Corporation's business or affairs that it considers appropriate; and
- (d) (d)request unrestricted access to the books and records of the Corporation, management, the external and internal auditors, and to communicate directly with such external and internal auditors (including private meetings), as it considers necessary or appropriate to discharge its duties and responsibilities.

## 5. DUTIES AND RESPONSIBILITIES

5.1 The responsibilities of a member of the Committee shall be in addition to such member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

### Financial Reporting and Disclosure

- (a) The Committee has the duty to determine whether the Corporation's financial disclosures are complete, accurate, are in accordance with generally accepted accounting principles and financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Corporation's own policies.
- (b) Review and discuss with management and the external auditor at the completion of the annual examination:
  - (i) the Corporation's audited financial statements and related notes;
  - (ii) the external auditor's audit of the annual financial statements and their report thereon;
  - (iii) any significant changes required in the external auditor's audit plan;
  - (iv) any serious difficulties or disputes with management encountered during the course of the audit; and
  - (v) other matters related to the conduct of the audit, which are to be communicated to the Committee under generally accepted auditing standards.
- (c) Review and discuss with management and, where authorized by the Board, the external auditor at the completion of any review engagement or other examination of the Corporation's quarterly unaudited financial statements:
  - (i) the Corporation's unaudited financial statements and related notes;
  - (ii) any significant changes required in the external auditor's audit plan resulting from the preparation of the unaudited financial statements;
  - (iii) any serious difficulties or disputes with management encountered during the course of the preparation of the unaudited financial statements; and
  - (iv) other matters related to the preparation of the unaudited financial statements, which are to be communicated to the Committee.
- (d) Approve, or recommend to the Board for approval, the unaudited financial statements and the notes thereto and the Corporation's management discussion and analysis with respect to such financial statements.
- (e) As applicable, review, discuss with management annual reports, quarterly reports, related management discussion and analysis, annual information forms, any prospectuses and other financial disclosures and, if thought advisable, recommend the acceptance of such documents to the Board for approval.

- (f) Review disclosure respecting the activities of the Committee included in the Corporation's annual filings.
- (g) Review and discuss with management any guidance being provided to shareholders on the expected future results and financial performance of the Corporation and provide their recommendations on such documents to the Board.
- (h) Inquire of the auditors the quality and acceptability of the Corporation's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- (i) Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- (j) Ensure that management has the proper systems in place so that the Corporation's financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Corporation.

#### **External Auditor**

- (a) Retaining and terminating, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to prepare an auditor's report or perform other audit, review or attest functions for the Corporation.
- (b) Directly overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreement between management and the external auditor regarding financial reporting.
- (c) Obtaining and reviewing an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
- (d) Evaluating the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Corporation, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Corporation.
- (e) Recommending to the Board for approval all audit engagement fees and terms, as well as pre-approving all non-audit engagements of the external auditors prior to the commencement of the engagement.
- (f) Reviewing with the external auditors the plan and scope of the quarterly review and annual audit engagements.
- (g) Setting hiring policies with respect to the employment of current or former employees of the external auditors.

## **Internal Controls and Audit**

- (a) Reviewing and discussing with management, the external auditors and the Chief Financial Officer the effectiveness of the Corporation's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls over financial reporting.
- (b) Discussing the Corporation's process with respect to risk assessment (including fraud risk), risk management and the Corporation's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.
- (c) Reviewing and discussing with management the Corporation's Code of Business Conduct and Ethics and the actions taken to monitor and enforce compliance.
- (d) Establishing procedures for:
  - (i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters, including, if applicable, reviewing and discussing Whistleblower Policy with management; and
  - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting, internal controls or auditing matters.
- (e) Reviewing and discussing with management, the external auditors and the Chief Financial Officer the responsibilities and effectiveness of the Corporation's internal audit function, including reviewing the internal audit mandate, independence, organizational structure, internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.

## **Other**

- (a) Provide oversight with respect to related party transactions entered into by the Corporation.
- (b) Assist with the Corporation's Code of Business Conduct and Ethics and Whistleblower Policy as provided for therein.
- (c) Reporting regularly to the Board.
- (d) Reviewing and assessing its mandate and recommending any proposed changes to the Board on an annual basis.
- (e) Evaluating the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Board.
- (f) Review periodically the directors' and officers' liability insurance and indemnities of the Corporation and consider the adequacy of such coverage.

## **6. ADOPTION**

This Charter was adopted and approved by the Board on May 2, 2012.



**SCHEDULE "B"**  
**OPTION PLAN**

**CuOro Resources Corp**  
**(the "Company")**

**SHARE OPTION PLAN**

**Dated for Reference July 28, 2011**

**ARTICLE 1**  
**PURPOSE AND INTERPRETATION**

**Purpose**

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

**Definitions**

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
  - (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
  - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an

agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);

(g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;

(h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:

(i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and

(iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;

(i) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(j) **Directors** means the directors of the Company as may be elected from time to time;

(k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(l) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;

(m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

(n) **Effective Date** for an Option means the date of grant thereof by the Board;

(o) **Employee** means:

(i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

- (iii) an individual who works for the Company or its subsidiary 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 over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (u) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (v) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (w) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (x) **NEX Issuer** means a company listed on NEX;
- (y) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (z) **Officer** means a Board appointed officer of the Company;
- (aa) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (bb) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (cc) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (dd) **Optionee** means the recipient of an Option hereunder;
- (ee) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (ff) **Participant** means a Service Provider that becomes an Optionee;
- (gg) **Person** includes a company, any unincorporated entity, or an individual;
- (hh) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;

- (ii) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (jj) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (kk) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ll) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (mm) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (nn) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (oo) **Take Over Bid** means a take over bid as defined in Multilateral Instrument 62-104 (Take-over Bids and Issuer Bids) or the analogous provisions of securities legislation applicable to the Company;
- (pp) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and
- (qq) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

### **Other Words and Phrases**

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

### **Gender**

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

## **ARTICLE 2 SHARE OPTION PLAN**

### **Establishment of Share Option Plan**

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

### **Maximum Plan Shares**

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, NEX Policies).

## **Eligibility**

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

## **Options Granted Under the Plan**

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

## **Limitations on Issue**

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

- (a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
- (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and
- (c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

## **Options Not Exercised**

2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

## **Powers of the Board**

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

- (a) allot Common Shares for issuance in connection with the exercise of Options;
- (b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

### **Amendment of the Plan by the Board of Directors**

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

(a) it may make amendments which are of a typographical, grammatical or clerical nature only;

(b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;

(c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;

(d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;

(e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and

(f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

### **Amendments Requiring Disinterested Shareholder Approval**

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

(a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:

(i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;

(ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,

(iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or

(b) any reduction in the Exercise Price of an Option previously granted to an Insider.

### **Options Granted Under the Company's Previous Share Option Plans**

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

## **ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS**

### **Exercise Price**

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

### **Term of Option**

3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

### **Option Amendment**

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

### **Vesting of Options**

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

(a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or

(b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

### **Vesting of Options Granted to Consultants Conducting Investor Relations Activities**

3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:

- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b) such longer vesting period as the Board may determine.

### **Effect of Take Over Bid**

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 and §3.7 or any vesting requirements set out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

### **Extension of Options Expiring During Blackout Period**

3.9 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.9 may not be extended by the Board.

### **Optionee Ceasing to be Director, Employee or Service Provider**

3.10 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.



## **Non Assignable**

3.11 Subject to §3.10, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

## **Adjustment of the Number of Optioned Shares**

3.12 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.12;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.12, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.12, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of

the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

## **ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES**

### **Option Commitment**

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

### **Manner of Exercise**

4.2 An Optionee who wishes to exercise his Option may do so by delivering

- (a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and
- (b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §4.3.

### **Tax Withholding and Procedures**

4.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

### **Delivery of Optioned Shares and Hold Periods**

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current market price of the Common Shares on the TSX Venture at the time of grant, the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month Exchange Hold Period commencing the date of the Option Commitment.

## **ARTICLE 5 GENERAL**

### **Employment and Services**

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

### **No Representation or Warranty**

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

### **Interpretation**

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

### **Continuation of Plan**

5.4 The Plan will become effective from and after July 28, 2011, and will remain effective provided that the Plan, or any amended version thereof receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to July 28, 2011.

### **Amendment of the Plan**

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

**SCHEDULE A**

**SHARE OPTION PLAN**

**OPTION COMMITMENT**

Notice is hereby given that, effective this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Effective Date") **CuOro Resources Corp.** (the "Company") has granted to \_\_\_\_\_ (the "Optionee"), an Option to acquire \_\_\_\_\_ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Expiry Date") at an Exercise Price of Cdn\$ \_\_\_\_\_ per share.

Optioned Shares are to vest immediately.

**OR**

Optioned Shares will vest [INSERT VESTING SCHEDULE AND TERMS]

The Option shall expire days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate or written notice in the case of uncertificated shares for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"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 12:00 A.M. (MIDNIGHT) ON [insert date 4 months from the date of grant]".

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

**CuOro Resources Corp.**

\_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
*[insert name of optionee]*

\_\_\_\_\_  
*Signature of Optionee*