CANADIAN OREBODIES INC.

141 Adelaide Street West, Suite 520
Toronto, Ontario M5H 3L5

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting of the shareholders (the "**Meeting**") of Canadian Orebodies Inc. (the "**Corporation**") will be held at 79 Wellington Street West, Suite 2300, Toronto, Ontario on the 13th day of April, 2011, at 10.00am (Toronto time) for the following purposes:

1. to consider and, if thought appropriate, to pass an ordinary resolution of the disinterested shareholders, with or without variation, approving the entering into and closing of a purchase agreement (the "**Purchase Agreement**") and the completion of all transactions and share issuances contemplated therein, pursuant to which the Corporation agrees to acquire up to 100% interest in the Inuit Owned Lands Mineral Exploration Agreement (the "**NTI Agreement**") with Nunavut Tunngavik Inc.; and

2. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting, including a summary of the Purchase Agreement, is described in further detail in the accompanying management information circular dated March 16, 2011 which accompanies this notice.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting (the "**Record Date**") is March 14, 2011. 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.

A shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting, or any adjournment thereof, in person are requested to date, sign and return the accompanying form of proxy (the "Proxy Form") for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be deposited at the office of Equity Financial Trust Company, by mail to Suite 400, 200 University Avenue, Toronto, Ontario, M5H 4H1 or by fax to (416) 595-9593, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the time set for the Meeting or any adjournment thereof.

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or the shareholder's attorney authorized in writing or, if the shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are independent directors of the Corporation. Each shareholder of the Corporation has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for such shareholder and on such shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the

shareholder's appointee should be legibly printed in the blank space provided on the Proxy Form.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a shareholder should be delivered by fax to Equity Financial Trust Company at (416) 595-9593.

DATED at Toronto, Ontario as of the 16th day of March, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed)

Gordon Cyr
Director

CANADIAN OREBODIES INC.
141 Adelaide Street West, Suite 520
Toronto, Ontario M5H 3L5

MANAGEMENT INFORMATION CIRCULAR
SOLICITATION OF PROXIES

THIS INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF CANADIAN OREBODIES INC. (the "**Corporation**") of proxies to be used at the special meeting of shareholders (the "**Meeting**") of the Corporation to be held at the time and place and for the purposes set forth in the enclosed notice of Meeting (the "**Notice of Meeting**"). While it is expected that the solicitation will be primarily by mail, proxies may also be solicited personally by regular employees of the Corporation at nominal cost. The cost of solicitation by management will be borne directly by the Corporation. The information contained herein is given as at March 16, 2011, unless indicated otherwise.

The Corporation may pay the reasonable costs incurred by persons who are the registered but not beneficial owners of common shares of the Corporation (the "**Common Shares**") (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of the Notice of Meeting, this information circular (the "**Information Circular**") and the form of proxy (collectively, the "**Meeting Materials**") to the beneficial owners of such Common Shares. The Corporation will provide, without cost to such persons, upon request to the Secretary of the Corporation, additional copies of the Meeting Materials required for this purpose.

NON-REGISTERED HOLDERS

Only registered holders of Common Shares at the close of business on March 14, 2011 (the "**Shareholders**") or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of a nominee such as an intermediary (an "**Intermediary**") with whom the Non-Registered Holder deals 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, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 - *Communication With Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101"**) , the Corporation will have distributed copies of 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. Non-Registered Holders will be given, in substitution for the proxy otherwise contained in Meeting Materials, a request for voting instructions (the "**voting instructions form**") which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder who receives the voting instructions form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should so indicate in the place provided for that purpose in the voting instructions form and a form of legal proxy will be sent to the Non-Registered Holder by the applicable Intermediary. **In any event, Non-Registered Holders should carefully follow the instructions of their Intermediary set out in the voting instructions form**.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are independent directors and/or officers of the Corporation. **A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER, TO REPRESENT HIM, HER OR IT AT THE MEETING MAY DO SO** either by crossing out the names of the management nominees and inserting the name of the shareholder's appointee in the blank space provided in the form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the Corporation's transfer agent and registrar, Equity Financial Trust Company, by mail to Suite 400, 200 University Avenue, Toronto, Ontario, M5H 4H1 or by fax to (416) 595-9593, not later than 48 hours (excluding Saturdays, Sundays and holidays in the Province of Ontario) before the time of the Meeting or any adjournment thereof at which the proxy is to be used.

A Shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so either:

1. by delivering another properly executed form of proxy bearing a later date and depositing it as described above;

2. by depositing an instrument in writing revoking the proxy executed by such Shareholder or by the Shareholder's attorney authorized in writing:

    (a) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used; or

    (b) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or

3. in any other manner permitted by law.

Only a registered shareholder of the Corporation has the right to revoke a proxy. A Non-Registered Holder who wishes to change his, her or its vote must arrange for the Intermediary to revoke the proxy on his, her or its behalf in accordance with the instructions of such Intermediary set out in the voting instructions form.

A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the proxy shall be voted accordingly. **WHERE NO CHOICE IS SPECIFIED, THE PROXY WILL CONFER DISCRETIONARY AUTHORITY AND WILL BE VOTED FOR EACH ITEM OF SPECIAL BUSINESS AS STATED ELSEWHERE IN THIS INFORMATION CIRCULAR. THE ENCLOSED FORM OF PROXY ALSO CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN TO VOTE WITH RESPECT TO ANY AMENDMENTS OR VARIATIONS TO THE MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND WITH RESPECT TO OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING IN SUCH MANNER AS SUCH NOMINEE IN HIS JUDGMENT MAY DETERMINE**. As at the date of this Information Circular the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation shall make a list of all Shareholders at the close of business on March 14, 2011 (the "**Record Date**") and the number of Common Shares registered in the name of each such person on that date. Each Shareholder is entitled to one vote for each Common Share registered in his, her or its name as it appears on the list.

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As at the Record Date, 79,542,455 Common Shares were issued and outstanding.

The by-law of the Corporation provides that a quorum for the transaction of business at any meeting of shareholders shall be at least two persons present at the Meeting in person or represented by proxy, entitled to vote at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as of the Record Date, the following person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation:

Name	Type of Ownership	Number of Common Shares held	Percentage of Common Shares held
Pinetree Capital Ltd.	Of Record	8,000,000	10.06%
Sheldon Inwentash [(1)]	Of Record	8,000,000	10.06%

Note:
(1) Sheldon Inwentash is a director and officer of Pinetree Capital Ltd. and therefore controls or directs 20.12% of the voting securities of the Corporation.

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

No person who has been a director or executive officer of the Corporation at any time since the beginning of its last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed in this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular, no informed person (as such term is defined in National Instrument 51-102 - *Continuous Disclosure Obligations*) of the Corporation and no associate or affiliate of any informed person has or had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of January 31, 2011 with respect to the Common Shares that may be issued under the terms of the Corporation's stock option plan (the "**Stock Option Plan**"), which the board of directors believes encourages the Corporation's executive officers to own and hold shares in the Corporation thereby aligning their long-term interests directly to those of the shareholders and helps to achieve the Corporation's objective of retaining highly qualified executives. Under the terms of the Stock Option Plan the board of directors may propose and designate employees, including executive officers, eligible to receive options to acquire such numbers of Common Shares as the board of directors determines at an exercise price not less than the discounted market price determined in accordance with the terms of the Stock Option Plan.

When granting options pursuant to the Stock Option Plan, consideration is given to the exercise price of the aggregate options that would be held by an individual after the award. In determining the individual grants, the board of directors considers the following factors: the executive officer's relative position and performance as well as past equity grants. The incentive stock options granted to executive officers increase in value as the market price of the Common Shares increase, thereby linking equity-based executive compensation to shareholder returns.

The board of directors regularly assesses the individual performance of the Corporation's executive officers. Based on these assessments, it makes decisions concerning the nature and scope of the equity-based compensation to be paid to the Corporation's executive officers. The criteria upon which these assessments are based reflect the views of directors as to the nature and

value of the contributions made by the executive officers to the achievement of the Corporation's corporate plans and objectives. The board of directors generally considers option grants following the annual shareholders meeting, except in exceptional circumstances.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	5,075,000	$0.13	2,796,745 (1)
Equity compensation plans not approved by securityholders	**Nil**	**$Nil**	**Nil**
Total	5,075,000	$0.13	2,796,745 (1)

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Note:

(1) The Stock Option Plan provides for the issuance of options to purchase up to an aggregate of 10% of the issued and outstanding Common Shares.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Except for routine indebtedness, none of the directors and executive officers of the Corporation or any of their associates is or has been indebted to the Corporation or any of its subsidiaries at any time.

MANAGEMENT CONTRACTS

The Corporation has engaged Joseph Heng CA to serve as CFO effective August 1, 2010 for a monthly remuneration of $4,500 pursuant to a consulting agreement (the "**Consulting Agreement**") entered into by the Corporation and RedPine Exploration Inc.. On execution of the Consulting Agreement, Mr. Heng was granted 200,000 stock options at an exercise price of $0.10 per Common Share for a period of 5 years from date of the grant. Mr. Heng will be entitled to future stock option grants at the discretion of the compensation committee from time to time. The initial term of the Consulting Agreement expires on July 31, 2012 and will automatically be renewed under the same terms and conditions for successive one-year periods unless re-negotiated by the parties involved. The Consulting Agreement can be cancelled by either party at any time upon giving 60 days notice. A consulting agreement with a company associated with Stephen Gledhill, the previous CFO was terminated on July 31, 2010.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of the Purchase Agreement (the "Purchase Agreement"), entered into by the Corporation with Donald McKinnon, Gordon McKinnon and Randal Salo (together, the "Sellers"), and completion of all transactions and share issuances contemplated therein

At the Meeting, the disinterested shareholders of the Corporation will be asked to consider and approve an ordinary resolution approving the Purchase Agreement entered into by the Sellers and the Corporation on February 13, 2011, and the completion of all transactions and share issuances contemplated therein. The following is a summary of the principle terms of the Purchase Agreement.

Terms of the Purchase Agreement

Under the terms of the Purchase Agreement, the Corporation is entitled to acquire up to 100% legal and beneficial interest in the Inuit Owned Lands Mineral Exploration Agreement (the "**NTI Agreement**") with Nunavut Tunngavik Incorporated ("**NTI**") which covers the Haig Inlet Iron Ore Deposit, located on the Belcher Islands, Nunavut, Canada (the "**Property**").

In order to purchase a 100% interest in the NTI Agreement, the Corporation is required to:

1. Issue to the Sellers an aggregate amount of 3,000,000 Common Shares on Closing (as defined in this Information Circular) to earn a 10% interest in the NTI Agreement.

2. Issue to the Sellers an aggregate amount of 4,000,000 Common Shares on the first anniversary of Closing to earn an additional 15% interest in the NTI Agreement.

3. Issue to the Sellers an aggregate amount of 7,000,000 Common Shares on the first anniversary of Closing to earn the remaining 75% interest in the Agreement.

After issuance of 3,000,000 Common Shares on Closing to earn a 10% interest in the NTI Agreement, the Corporation may elect not to proceed with the share issuances outlined in items 2 and 3 above (in which case the Corporation will not acquire any further interest in the NTI Agreement).

4. Grant to the Sellers a 3% Gross Overriding Royalty (the "**GOR**") of which 1/3rd may be re-purchased from the Sellers by the Corporation for $3,000,000, if the Corporation has acquired a 100% interest in the NTI Agreement. If the Corporation has elected not to purchase a 100% interest in the NTI Agreement, the consideration for a purchase of such 1/3rd of the GOR shall be pro-rated to the Corporation's interest in the NTI Agreement at such time.

5. Grant to the Sellers a $250,000 advance royalty per annum, if the Corporation has acquired a 100% interest in the NTI Agreement, payable commencing on the earlier of (i) the date on which a production lease is entered into pursuant to the NTI Agreement, and (ii) the 6th year anniversary from Closing. If the Corporation does not hold a 100% interest in the NTI Agreement at such time as the advance royalty becomes payable, the

advance royalty shall be pro-rated to the Corporation's interest in the NTI Agreement at such time. Advance royalty payments will ultimately be deducted from the GOR.

6. Enter into a joint venture agreement (the "**Joint Venture Agreement**") on Closing which shall govern the activities of the Corporation and Sellers in respect of the Property and the NTI Agreement, until such time (if any) as the Corporation or another person or party acquires a 100% interest in the NTI Agreement.

In addition, if the Corporation has acquired a 100% interest in the NTI Agreement, the Corporation covenants to issue and deliver to the Sellers an additional 14,000,000 Common Shares on the following basis:

A. Issue an aggregate of 7,000,000 Common Shares (each such Common Share a "**First Milestone Share**") if a technical report compliant with NI 43-101 is produced, which demonstrates at least 80,000,000 tonnes of Mineral Resources (defined in the Purchase Agreement as "indicated mineral resources" or "measured mineral resources" as those terms are defined in NI 43-101) grading at least an average of 23% iron.

B. Issue a further 7,000,000 Common Shares (each such common share a "**Second Milestone Share**") if a technical report compliant with NI 43-101 is produced, which demonstrates at least 200,000,000 tonnes which includes the 80,000,000 tonnes comprising the threshold for the First Milestone Shares, of Mineral Resources grading at least an average of 23% iron.

Only if the Corporation has acquired a 100% interest in the NTI Agreement, the Corporation covenants to commission, an initial technical report compliant with NI 43-101 on or before the fourth anniversary of Closing in connection with the First Milestone Shares, and a second technical report compliant with NI 43-101 on or before the tenth anniversary of Closing in connection with the First Milestone Shares and/or the Second Milestone Shares.

In the event that the Corporation has not acquired a 100% interest in the NTI Agreement at the relevant time that First Milestone Shares or Second Milestone Shares are to be issued, the Corporation covenants to issue to the Sellers in aggregate a percentage of First Milestone Shares or Second Milestone Shares, as the case may be, that is equal to the Corporation's interest in the NTI Agreement at the relevant time.

The number of Common Shares to be issued to the Sellers on Closing, the first year anniversary of the date of Closing, the second year anniversary of the date of Closing, and the issuance of any First Milestone Shares or Second Milestone Shares to the Sellers shall be on the following pro-rata basis: 45% to Gordon McKinnon, 45% to Donald McKinnon, and 10% to Randall Salo.

The Purchase Agreement contains an extended area concept whereby the GOR and the requirement to issue First Milestone Shares and/or Second Milestone Shares applies beyond the Property to include (i) specified additional areas in proximity to the Property where the Corporation has staked mineral dispositions, and (ii) any areas or part thereof, lying within a distance of 10 kilometres from the external perimeters of the Property in which the Corporation has or will stake any mineral dispositions.

If all Common Shares issuable pursuant to the Purchase Agreement are issued, the potential shareholding of Donald McKinnon in the Corporation on an undiluted basis without giving effect to any Common Shares that may be issuable under a private placement discussed later in this Information Circular, shall be 16.27% of the issued and outstanding Common Shares as at the Record Date, and the potential shareholding of Gordon McKinnon in the Corporation on an undiluted basis without giving effect to any Common Shares that may be issuable under a private placement discussed later in this Information Circular, shall be 14.76% of the issued and outstanding Common Shares as at the Record Date.

Closing of the Purchase Agreement ("Closing")

In addition to the approval of the Corporation entering into the Purchase Agreement by the disinterested shareholders of the Corporation, Closing of the Purchase Agreement is subject to the following: (i) receipt of Exchange (as defined in this Information Circular) approval; (ii) receipt of approval from NTI; (iii) the Corporation and the Sellers entering into a royalty agreement in respect of the GOR; and (iv) the Corporation and the Sellers entering into the Joint Venture Agreement.

Terms of the Joint Venture Agreement

The Joint Venture Agreement is entered into by the Corporation and each of the Sellers (under the Joint Venture Agreement, each a "**Participant**") to govern their activities with respect to the Property and their respective interests NTI Agreement, until such time as a party has acquired the 100% interest in the NTI Agreement. The activities to be undertaken include exploration on the Property, evaluation of possible development and mining of the Property, ensuring satisfaction and compliance with all legal and NTI obligations regarding the Property, including any environmental obligations, and the maintenance of the NTI Agreement in good standing.

The initial interests of each Participant in the Joint Venture Agreement shall initially be as follows:

Corporation:	10%
Gordon McKinnon:	40.5%
Donald McKinnon:	40.5%
Randall Salo:	9%

In accordance with the Purchase Agreement, on the first anniversary of Closing of the Purchase Agreement and if the Corporation elects to issue an aggregate amount of 4,000,000 Common Shares to the Sellers, the interests of each Participant to the Joint Venture Agreement shall be as follows:

Corporation:	25%
Gordon McKinnon:	33.75%

Donald McKinnon: 33.75%

Randall Salo: 7.5%

In accordance with the Purchase Agreement, on the second anniversary of Closing of the Purchase Agreement and if the Corporation elects to issue an aggregate amount of 7,000,000 Common Shares to the Sellers, the Corporation shall acquire a 100% interest in the NTI Agreement and the Joint Venture Agreement shall be terminated.

Under the Joint Venture Agreement, the Corporation is to act as the initial operator and agrees to carry the interests of the Sellers such that the Corporation is solely responsible for the funding, conduct and risk of all operations to be undertaken, until the relevant anniversary of the date of Closing of the Purchase Agreement and the Corporation's election not to issue the requisite amount of Common Shares to the Sellers at such relevant Closing anniversary (the "**Non-Election Notice**").

If the Corporation issues the Non-Election Notice, Gordon McKinnon or his nominated appointee shall succeed the Corporation as operator, a management committee (the "**Management Committee**") shall be established, and each Participant shall then be required to fund all operations in proportion to their interest in the Joint Venture Agreement.

If established, following issuance of the Non-Election Notice, the Management Committee is to determine the overall policies, objectives, procedures, methods, and actions to be undertaken with respect purposes of the Joint Venture Agreement as outlined above. The Management Committee shall consist of four members, each Participant being entitled to appoint one member. Each appointed member shall have the votes on the Management Committee in proportion to the Participant's interests in the Joint Venture Agreement and decisions of the Management Committee shall be carried by the vote of members holding at least 51% of the interests in the Joint Venture Agreement.

If established, following issuance of the Non-Election Notice, the Management Committee shall review and decide upon all annual programs and budgets prepared by the operator, which specify the operations to be undertaken under it. Following adoption of a program and budget, each Participant may elect either to participate in the approved program and budget in proportion to its participating interest, in some lesser amount, or not at all. In case of participation less than its proportionate participating interest, a Participant's interest will be diluted in accordance with a formula, effective as of the first day of the period of the adopted program and budget.

Subject to standard force majeure provisions contained in the Joint Venture Agreement, an operator, is required to discharge its duties and conduct all operations in a good, workmanlike and efficient manner, in accordance with sound mining and other applicable industry standards and practices, and in accordance with all applicable laws and the NTI Agreement. An operator shall not be liable to the other Participants for any act or omission resulting in damage or loss except to the extent caused by or attributable to the operator's wilful misconduct or gross negligence.

Following an issuance of the Non-Election Notice by the Corporation, the Joint Venture Agreement sets out the applicable charges that are to be made by an operator to the joint venture as whole including property costs, labour and employee costs, material and equipment costs, transportation, contract services and utilities, taxes and camp expenses. Additionally, an administrative charge of 7% of certain chargeable costs is payable to an operator following the Non-Election Notice.

If at any time one or more Participants wish to sell all of its interests in the Joint Venture Agreement for a specified price payable in cash, the selling Participant shall be free to sell such interest to any person only if it has first offered such interest to the other participants who have either declined or failed to purchase. Furthermore, Donald McKinnon and Gordon McKinnon shall have the first offer to purchase any proposed sale by Randall Salo of his interest in the Joint Venture Agreement. Any sale of a Participant's interest in the Joint Venture Agreement is to be concurrent with a sale of any interest in the Purchase Agreement.

Non-Arm's Length Transaction and MI 61-101

The Purchase Agreement constitutes a "non-arm's length" transaction, pursuant to policy 5.3 of the TSX Venture Exchange (the "**Exchange**"), as Gordon McKinnon and Donald McKinnon are Sellers under the Purchase Agreement, Participants under the Joint Venture Agreement, and also directors and officers of the Corporation. The Exchange has requested that it receive the approval of the disinterested shareholders (excluding the votes of Gordon McKinnon and Donald McKinnon from the calculation of shareholder approval), of the Corporation to provide satisfactory evidence of value for the transaction.

In addition, the Purchase Agreement constitutes a "related party transaction" under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Under MI 61-101, an issuer involved in a related party transaction must, among other things, (i) obtain minority approval (as defined in MI 61-101) of the transaction ("**Minority Approval Requirement**"), and (ii) obtain a formal valuation of the subject matter of the transaction and provide a summary of the formal valuation in the disclosure document for the transaction (the "**Valuation Requirement**"), unless an exemption is available.

In order to satisfy the Minority Approval Requirement, none of the Common Shares of the Corporation owned or controlled by Gordon McKinnon, Donald McKinnon and their respective affiliates or person acting jointly or in concert with these parties may be voted with respect to the resolution approving entry into the Purchase Agreement and completion of all transactions and share issuances contemplated therein.

As of the date of this Information Circular, a total of 8,153,232 Common Shares will be excluded from voting. At the Meeting, disinterested shareholders will be asked to approve the resolution below under the heading "Committee View", in order to approve the Purchase Agreement and completion of all transactions and share issuances contemplated therein, in satisfaction of the Minority Approval Requirement and the Exchange requirement for satisfactory evidence of value.

In connection with the Purchase Agreement, the Corporation is entitled to rely upon the exemption from the Valuation Requirement under MI 61-101 applicable to issuers who are solely listed on the Exchange. In order to assist its shareholders to make an informed decision, however, a special committee of the Corporation, comprised of the independent directors of the Corporation (the "**Committee**") obtained a fairness opinion (the "**Fairness Opinion**") from Broad Oak Associates. The Fairness Opinion, dated February 2, 2011, was prepared by Mr. Geoffrey S. Carter, P. Eng. of Broad Oak Associates. The conclusion and summary contained in the Fairness Opinion stated that based on the information provided, the entry of the Corporation into the Purchase Agreement would be fair to all the shareholders of the Corporation.

The Corporation paid Broad Oak Associates a total of $10,000 plus applicable taxes for preparing, completing and delivering the Fairness Opinion to the Committee. None of the fees payable to Broad Oak Associates are contingent upon the conclusions reached by Mr. G. Carter of Broad Oak Associates in the Fairness Opinion. Mr. G. Carter and Broad Oak Associates are independent of the Corporation as have no past, present, or intended interest in the Common Shares and properties of the Corporation and neither Mr. G. Carter nor Broad Oak Associates are an insider, associate or affiliated with such parties. Mr G. Carter is a Professional Engineer and is qualified to prepare the Fairness Opinion and has consented to reference of the Fairness Opinion and his conclusions to this Information Circular.

Private Placement dependant on Closing of the Purchase Agreement

On March 10, 2011, pursuant to the terms of an agency agreement of the same date between the Corporation and each of Primary Capital Inc., Pope & Company Limited and Jones, Gable & Company Limited (collectively, the "**Agents**"), the Corporation completed a private placement of 15,000,000 subscription receipts (the "**Subscription Receipts**"), at a price of $0.35 per Subscription Receipt for aggregate gross proceeds of $5,250,000 (the "**Offering**"). On closing, the gross proceeds from the sale of the Subscription Receipts (the "**Escrowed Proceeds**") were deposited in escrow with Olympia Transfer Services Inc. (the "**Escrow Agent**") in accordance with the terms of a Subscription Receipt Agreement entered into between the Corporation and the Escrow Agent.

On receipt of (i) the approval of disinterested shareholders described in this Information Circular, (ii) the Agents having been provided with a favourable opinion regarding legal ownership of the land underlying the NTI Agreement; and (iii) the Corporation having delivered to the Agents a certificate confirming that all regulatory and other approvals required in respect of the Purchase Agreement have been obtained (the "**Release Conditions**"), the Escrow Agent will release the Escrowed Proceeds plus any interest or income earned thereon (the "**Escrowed Funds**") to the Corporation (less the Agents' commission related to the sale of the Subscription Receipts, which amount shall be released to the Agents) and each Subscription Receipt will be automatically converted into one unit of the Corporation (a "**Unit**") without payment of additional consideration and without any further action by the holder thereof. Each Unit will consist of one Common Share and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one Common Share (a "**Warrant Share**") at a price of $0.475 per Warrant Share for a period of 18 months following the date that the Escrowed Funds are released to the Company in

the event the Release Conditions are satisfied. Insiders of Corporation have purchased, directly or indirectly, $35,000 of the Offering.

The Corporation has agreed to pay to the Agents, in aggregate, a cash fee of 6% of the gross proceeds of the Offering, which commission will be payable upon the Escrowed Funds being released to the Corporation. Additionally, the Corporation has issued to the Agents an aggregate of 900,000 compensation options, which is equal to 6% of the number of Subscription Receipts sold under the Offering, with each such compensation option entitling the holder to purchase one Unit of the Company at a price of $0.35 for a period of 18 months from the date that the Escrowed Funds are released to the Company in the event the Release Conditions are satisfied. All securities issued in the Offering, including all securities underlying the Units which underlie the Subscription Receipts and the Compensation Options, are subject to a hold period expiring on July 11, 2011. The net proceeds of the Offering are intended to be used by the Corporation to cover expenses associated with the Purchase Agreement and for general corporate purposes.

Committee View

The Committee believes that it is in the best interests of the Corporation and its shareholders that the entering into of the Purchase Agreement and completion of all transactions and share issuances contemplated therein be approved.

Disinterested shareholders will be asked to approve, by a majority of the votes cast by disinterested shareholders, the following resolution:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Purchase Agreement and completion of all transactions and share issuances contemplated therein be approved; and

2. any director or officer of the Company is hereby authorized to execute (whether under the corporate seal of the Corporation or otherwise) and deliver all such documents and to do all such other acts and things as such director or officer may determine to be necessary or advisable in connection with such approval, the execution of any such document or the doing of any such other act or thin by any director or officer of the Corporation being conclusive evidence of such determination."

OTHER MATTERS

Other than the approval of the Purchase Agreement and completion of all transactions and share issuances contemplated therein, management of the Corporation is not aware of any other matter to come before the meeting other than as set forth in the Notice of the Meeting. **If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Form of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.**

AUDITORS

The auditor of the Corporation is Park Simone LLP, Chartered Accountants, 201-129 Lakeshore Road East, Mississauga, Ontario, L5G 1E5.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in the Corporation's audited financial statements and Management Discussion and Analysis for the year ended January 31, 2010. Copies of the Corporation's financial statements and Management Discussion and Analysis may be obtained through www.sedar.com or upon written request to the President at 141 Adelaide Street West, Suite 520, Toronto, Ontario M5H 3L5.

DIRECTORS' APPROVAL

The contents of this Information Circular and the sending of it have been approved by the directors of the Corporation.

DATED as of the 16th day of March, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed)

Gordon Cyr
Director