



**VIPER  
GOLD LTD**

**Notice of Meeting  
and  
Information Circular**

**in respect of an**

**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**to be held on June 23, 2011**

**INFORMATION CIRCULAR**

**Dated May 19, 2011**

**VIPER GOLD LTD.**  
**NOTICE OF MEETING OF SHAREHOLDERS**  
**to be held on June 23, 2011**

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") in the capital of Viper Gold Ltd. (the "**Corporation**") will be held at the offices of Macleod Dixon LLP, The Toronto-Dominion Centre, TD Waterhouse Tower, 79 Wellington Street West, Suite 2300, Toronto, Ontario, M5K 1H1 on Thursday, June 23, 2011 at 9:00 a.m. (Toronto time), for the following purposes:

1. to receive the audited financial statements for the year ended December 31, 2010 and the report of the auditors thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors;
4. to approve the stock option plan of the Corporation; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment(s) thereof.

Shareholders of the Corporation are referred to the Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

**If you are a registered Shareholder of the Corporation and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to Equity Financial Trust Company at 200 University Avenue, Suite 400, Toronto Ontario M5H 4H1. In order to be valid and acted upon at the Meeting, proxies must be received at the aforesaid address by 9:00 a.m. on Tuesday, June 21, 2011 or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the commencement of any adjournment of the Meeting. You may also send your proxies via fax: (416) 595-9593 or vote your shares online at: [www.voteproxyonline.com](http://www.voteproxyonline.com).**

**If you are an unregistered Shareholder of the Corporation and received these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.**

The directors of the Corporation have fixed May 20, 2011 as the record date. Only Shareholders whose names are entered on the register of the Corporation at the close of business on May 20, 2011 will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any Common Shares after the record date and the transferee of those Common Shares establishes ownership of such Common Shares and demands, not later than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Common Shares at the Meeting.

DATED at Toronto, Ontario this 19<sup>th</sup> day of May, 2011.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Paul C. Davis"*  
Paul C. Davis  
President and Chief Executive Officer

## VIPER GOLD LTD.

### INFORMATION CIRCULAR

#### FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON THURSDAY, JUNE 23, 2011

#### GENERAL PROXY INFORMATION

##### PURPOSE OF SOLICITATION

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Viper Gold Ltd. ("Viper" or the "Corporation") for use at the annual and special meeting (the "Meeting") of the holders ("Shareholders") of common shares in the capital of the Corporation ("Common Shares").** The Meeting will be held at the offices of Macleod Dixon LLP, The Toronto-Dominion Centre, TD Waterhouse Tower, 79 Wellington Street West, Suite 2300, Toronto, Ontario, M5K 1H1 on Thursday, June 23, 2011 at 9:00 a.m. (Toronto time), and at any adjournments thereof for the purposes set forth in the Notice of Meeting of Shareholders accompanying this Information Circular. Information contained herein is given as of May 19, 2011 unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or in person by directors, officers and employees of the Corporation who will not be additionally compensated therefor. Brokers, nominees or other persons holding Common Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Common Shares. The costs of soliciting proxies will be borne by the Corporation.

##### APPOINTMENT AND REVOCATION OF PROXIES

Enclosed herewith is a form of proxy for use at the Meeting. The persons named in the form of proxy are officers of the Corporation. **A Shareholder submitting a proxy has the right to appoint a nominee (who need not be a Shareholder) to represent him at the Meeting other than the persons designated in the enclosed proxy form by inserting the name of his chosen nominee in the space provided for that purpose on the form and by striking out the printed names.**

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. The proxy, to be acted upon, must be deposited with Equity Financial Trust Company at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 or by fax: (416) 595-9593 or online: [www.voteproxyonline.com](http://www.voteproxyonline.com) by 9:00 a.m. on Tuesday, June 21, 2011 or not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the commencement of any adjournment(s) of the Meeting.

A Shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the office of Equity Financial Trust Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting or any adjournment(s) thereof.

##### ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

**The information set forth in this section is of significant importance to many Shareholders of Viper, as a substantial number of Shareholders do not hold Common Shares in their own name.** Shareholders who do not hold their Common Shares in their own name (referred to in this Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders whose names appear on the records of

Viper as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered Shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. A Beneficial Shareholder who wishes to attend the Meeting and indirectly vote his/her Common Shares as proxyholder for the registered Shareholder should enter his/her own name in the blank space on the instrument of proxy provided and return the same to his/her broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, 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 request for voting instructions.

## **VOTING OF PROXIES**

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the Common Shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. The enclosed form of proxy confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, discretionary authority is then conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.**

At the time of printing of this Information Circular, the management of Viper knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

## INFORMATION CONCERNING THE CORPORATION

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The directors of the Corporation have fixed May 20, 2011 as the record date. Holders of Common Shares at the close of business on May 20, 2011, are entitled to receive notice of the Meeting and to vote at the Meeting or at any adjournments thereof on the basis of one vote for each Common Share held, except to the extent that (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to May 20, 2011 and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case, the transferee shall be entitled to vote his or her Common Shares at the Meeting.

As at the date of this Information Circular, 12,005,000 Common Shares were issued and outstanding as fully paid and non-assessable.

As of the date of this Information Circular, to the knowledge of the directors and senior officers of the Corporation, there are no persons, firms or corporations that beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

As at the date of this Information Circular, the directors and officers as a group owned beneficially, directly and indirectly, 1,717,000 Common Shares of the Corporation, representing approximately 15% of the presently issued and outstanding Common Shares.

### INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

None of the directors or senior officers of Viper, nominees for election or associates or affiliates of such persons have been indebted to the Corporation at any time since the beginning of the last completed financial year.

### STATEMENT OF EXECUTIVE COMPENSATION

#### Summary Compensation Table

"**Named Executive Officer**" means each of the following individuals: (1) the Chief Executive Officer; (2) the Chief Financial Officer; (3) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (4) each individual who would be a Named Executive Officer under item (3) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

For the year ended December 31, 2010, the Corporation had three Named Executive Officers: (i) Paul C. Davis who has been the Corporation's President and Chief Executive Officer since August 17, 2010; (ii) Evatt F.A. Merchant who was the President and Chief Executive Officer from incorporation on January 29, 2008 until completion of the Qualifying Transaction (as defined below) on August 17, 2010; and (iii) Gregory A. Jerome who was the Corporation's Chief Financial Officer from incorporation on January 29, 2008 until January 4, 2011.

Name and Principal Position	Financial period ended December 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(2)(3)</sup>	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
<b>Paul C. Davis</b> <sup>(4)</sup> President and Chief Executive Officer	2010	17,225	Nil	10,685	Nil	Nil	Nil	Nil	27,910
<b>Evatt F.A. Merchant</b> <sup>(5)</sup> President and Chief Executive Officer	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(1)</sup>	Nil	Nil	\$3,139	Nil	Nil	Nil	Nil	\$3,139
<b>Gregory A. Jerome</b> <sup>(6)</sup> Chief Financial Officer	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(1)</sup>	Nil	Nil	\$3,139	Nil	Nil	Nil	Nil	\$3,139

**Notes:**

- (1) From incorporation on January 29, 2008 until December 31, 2008.
- (2) In estimating the fair value of Option awards at a weighted average amount per Option of \$0.10685, the Black-Scholes model, an established methodology, was used, with the following assumptions in 2010:
  - a. Risk-free interest rate: 2.18%;
  - b. Estimated hold period prior to exercise: 5 years;
  - c. Estimated volatility in the price of Common Shares: 100%; and
  - d. Dividends per Common Share: \$Nil.
- (3) In estimating the fair value of Option awards at a weighted average amount per Option of \$0.0654, the Black-Scholes model, an established methodology, was used, with the following assumptions in 2008:
  - a. Risk-free interest rate: 3.35%;
  - b. Estimated hold period prior to exercise: 5 years;
  - c. Estimated volatility in the price of Common Shares: 30%; and
  - d. Dividends per Common Share: \$Nil.
- (4) Mr. Davis was appointed as the Corporation's President and Chief Executive Officer effective August 17, 2010 following completion of the Corporation's Qualifying Transaction.
- (5) Mr. Merchant resigned as the Corporation's President and Chief Executive Officer effective August 17, 2010 upon the completion of the Corporation's Qualifying Transaction.
- (6) Mr. Jerome resigned as the Corporation's Chief Financial Officer effective January 4, 2011 and Joseph Del Campo was appointed in his place.

**Compensation Discussion and Analysis**

Viper was classified as a Capital Pool Company for the purposes of the policies of the TSX Venture Exchange (the "TSXV") until August 19, 2010. As a Capital Pool Company, the Corporation's business was to identify and evaluate businesses and assets with a view to completing a qualifying transaction ("**Qualifying Transaction**") pursuant to Policy 2.4 Capital Pool Companies of the TSXV. Consequently, the Corporation did not pay any compensation to its Named Executive Officers until completion of its Qualifying Transaction in accordance with the policies of the TSXV.

To date, the Corporation has primarily compensated its executive officers with grants of options to acquire Common Shares pursuant to its stock option plan ("**Options**"). Previous grants of Options are taken into account when considering new grants. Viper did not issue any Options in the year ended December 31, 2009. In the year ended December 31, 2010, Viper granted 100,000 Options to Paul Davis in his capacity as President and Chief Executive Officer, 100,000 Options to Joseph Del Campo upon becoming a director and 50,000 Options to a consultant that provides investor relation services.

The Corporation entered into a consulting services agreement with Paul Davis in his capacity as President and Chief Executive Officer of the Corporation effective August 17, 2010 (the "**Consulting Agreement**"). Pursuant to the

Consulting Agreement, Mr. Davis is entitled to receive a *per diem* rate of \$650 to a maximum of \$4,000 per month, representing a maximum annual remuneration in the amount of \$48,000. In addition, Mr. Davis receives a vehicle allowance at a *per diem* rate of \$55 to a maximum of \$330 per month.

## Incentive Plan Awards

### *Outstanding Option-Based Awards and Share-Based Awards*

The following table sets forth all Option-based awards held by the Named Executive Officers as at the year ended December 31, 2010.

Name	Option-Based Awards				Share-Based Awards	
	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 Share that Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)
<b>Paul C. Davis</b> President and Chief Executive Officer	100,000	\$0.20	August 17, 2015	10,000	N/A	N/A
<b>Evatt F.A. Merchant<sup>(2)</sup></b> President and Chief Executive Officer	48,000	\$0.20	August 17, 2011	4,800	N/A	N/A
<b>Gregory A. Jerome</b> Chief Financial Officer	48,000	\$0.20	July 10, 2013	4,800	N/A	N/A

**Note:**

- (1) Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares at December 31, 2010 and the exercise price of the Options. The closing price of the Corporation's Common Shares on the TSX on December 30, 2010 was \$0.30.
- (2) Mr. Merchant ceased to be the President and Chief Executive Officer and a director of the Corporation effective August 17, 2010 upon the completion of the Corporation's Qualifying Transaction. Consequently, his Options will expire August 17, 2011, being one year from the date of completion of the Qualifying Transaction.

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

The following table sets forth information in respect of the value of awards granted to the Named Executive Officers of the Corporation pursuant to the stock option plan vested during the year ending December 31, 2010.

NAME	Option-Based Awards - Value Vested During Year (\$) <sup>(1)</sup>	Share-Based Awards - Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation Value Earned During Year (\$)
<b>Paul C. Davis</b> President and Chief Executive Officer	Nil <sup>(1)</sup>	N/A	N/A
<b>Evatt F.A. Merchant</b> President and Chief Executive Officer	N/A	N/A	N/A
<b>Gregory A. Jerome</b> Chief Financial Officer	N/A	N/A	N/A

**Note:**

- (1) Calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options. The Options vested on the date of grant, August 17, 2010, being the date of completion of the Corporation's Qualifying Transaction. On August 17, 2010, the value of the Common Shares was \$0.20 per share.

## Pension Plan Benefits

The Corporation has not established a pension plan, defined benefit plan or any retirement savings program for the Named Executive Officers or other employees of the Corporation.

## Deferred Compensation Plans

The Corporation has not established a deferred compensation plan for the Named Executive Officers or other employees of the Corporation.

## Termination of Employment or Change of Control

The Corporation has not entered into any employment agreements with any of its Named Executive Officers. As described above, the Corporation has entered into the Consulting Agreement with Paul C. Davis in his capacity as President and Chief Executive Officer. However, there are no termination or change of control payments payable under the Consulting Agreement.

## Compensation of Directors

During the years ended December 31, 2010 and December 31, 2009, no compensation was paid to the directors of Viper for their services as directors. All directors are eligible to participate in the Corporation's stock option plan.

### Director Compensation Table

As noted in the following table, no compensation was paid to the directors of Viper in the year ended December 31, 2009. Joseph Del Campo was granted 100,000 Options in his capacity as a new director of the Corporation.

	Financial period ended December 31	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(2)(3)</sup>	Non-Equity Incentive Plan Compensation		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)			
Melanie T. Blair	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(1)</sup>	Nil	Nil	\$3,139	Nil	Nil	Nil	Nil	\$3,139
Pierre P.G. Magnan <sup>(4)</sup>	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(1)</sup>	Nil	Nil	\$3,139	Nil	Nil	Nil	Nil	\$3,139
Christopher M. Wolfenberg	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(1)</sup>	Nil	Nil	\$3,139	Nil	Nil	Nil	Nil	\$3,139
Joseph Del Campo <sup>(5)</sup>	2010	Nil	Nil	10,685	Nil	Nil	Nil	Nil	10,685

#### Notes:

- (1) From incorporation on January 29, 2008 until December 31, 2008.
- (2) In estimating the fair value of Option awards at a weighted average amount per Option of \$0.10685, the Black-Scholes model, an established methodology, was used, with the following assumptions in 2010:
  - a. Risk-free interest rate: 2.18%;
  - b. Estimated hold period prior to exercise: 5 years;
  - c. Estimated volatility in the price of Common Shares: 100%; and
  - d. Dividends per Common Share: \$Nil.
- (3) In estimating the fair value of Option awards at a weighted average amount per Option of \$0.0654, the Black-Scholes model, an established methodology, was used, with the following assumptions in 2008:
  - a. Risk-free interest rate: 3.35%;



- b. Estimated hold period prior to exercise: 5 years;
  - c. Estimated volatility in the price of Common Shares: 30%; and
  - d. Dividends per Common Share: \$Nil.
- (4) Mr. Magnan ceased to be a director effective August 17, 2010 upon the completion of the Corporation's Qualifying Transaction.
- (5) Mr. Del Campo became a director effective August 17, 2010 upon the completion of the Corporation's Qualifying Transaction.

***Director Compensation - Outstanding Option-Based Awards and Share-Based Awards***

The following table sets forth all Option-based awards held by the directors of the Corporation, who are not also Named Executive Officers, as at December 31, 2010.

Name	Option-Based Awards				Share-Based Awards	
	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 Share that Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)
Melanie T. Blair	48,000	\$0.20	July 10, 2013	4,800	N/A	N/A
Pierre P.G. Magnan <sup>(2)</sup>	48,000	\$0.20	August 17, 2011	4,800	N/A	N/A
Christopher M. Wolfenberg	48,000	\$0.20	July 10, 2013	4,800	N/A	N/A
Joseph Del Campo	100,000	\$0.20	August 17, 2015	10,000	N/A	N/A

**Note:**

- (1) Calculated by multiplying the number of Common Shares purchasable on exercise of the Options by the difference between the market price of the Common Shares at December 31, 2010 and the exercise price of the Options. The closing price of the Corporation's Common Shares on the TSXV on December 30, 2010 was \$0.30.
- (2) Mr. Magnan ceased to be a director effective August 17, 2010 upon the completion of the Corporation's Qualifying Transaction. Consequently, his Options will expire August 17, 2011, being one year from the date of completion of the Qualifying Transaction.

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

The following table sets forth information in respect of the value of awards granted to the directors of the Corporation, who are not also Named Executive Officers of the Corporation, pursuant to the stock option plan vested during the year ending December 31, 2010.

NAME	Option-Based Awards - Value Vested During Year (\$) <sup>(1)</sup>	Share-Based Awards - Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation Value Earned During Year (\$)
Melanie T. Blair	N/A	N/A	N/A
Pierre P.G. Magnan	N/A	N/A	N/A
Christopher M. Wolfenberg	N/A	N/A	N/A
Joseph Del Campo	Nil <sup>(1)</sup>	N/A	N/A

**Note:**

- (1) Calculated by multiplying the number of Common Shares that vested during the year by the difference between the market price of the Common Shares at the date of vesting and the exercise price of the Options. The Options vested on the date of grant, August 17, 2010, being the date of completion of the Corporation's Qualifying Transaction. On August 17, 2010, the value of the Common Shares was \$0.20 per share.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

### Option Plan

Viper has a stock option plan which was adopted by the board of directors of the Corporation (the "**Board of Directors**") effective March 14, 2008 (the "**Option Plan**"). Pursuant to the terms of the Option Plan, the Board of Directors may from time to time, in its discretion, and in accordance with the requirements of the TSXV, grant to directors, officers, and technical consultants to the Corporation, non-transferable Options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares to be outstanding from time to time. Each Option will be exercisable for a period of up to 5 years from the date of grant. The number of Common Shares reserved for issuance to any individual director or officer will not exceed five percent (5%) of the number of Common Shares issued and outstanding from time to time and the number of Common Shares reserved for issuance to all technical consultants will not exceed two percent (2%) of the number of Common Shares issued and outstanding from time to time. Options may be exercised until the greater of 12 months after the completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or technical consulting arrangement was by reason of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option. Any Common Shares acquired pursuant to the exercise of Options prior to the completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the Final Exchange Bulletin is issued by the TSXV.

### Equity Compensation Plan Information as at December 31, 2010

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))
Equity compensation plans approved by security holders	500,000 Options	\$0.20	670,500
Equity compensation plans not approved by security holders	Nil	n/a	n/a
Total	500,000 Options	\$0.20	670,500

## CORPORATE GOVERNANCE DISCLOSURE

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in its Information Circular the disclosure required under Form 58-102F2 with respect to its corporate governance practices. In establishing its corporate governance practices, the Board of Directors has been guided by Canadian securities legislation and the TSX guidelines for effective corporate governance, including National Policy 58-201 *Corporate Governance Guidelines* and other regulatory requirements such as National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

### Board of Directors

The Board of Directors is currently comprised of six individuals, two of whom are independent as that term is defined in NI 52-110 (Melanie T. Blair and Ram Ramachandran). Both Paul C. Davis and Joseph Del Campo are executive officers of Viper and, accordingly, are not independent within the meaning of that term set out in NI 52-110. Gregory A. Jerome was an executive officer of Viper until January 2011 and, accordingly, is not independent within the meaning of that term set out in NI 52-110. Christopher M. Wolfenberg is not considered independent because he is a partner of Macleod Dixon LLP, a law firm that provides advisory services to Viper.

### **Orientation and Continuing Education**

The Corporation does not currently have an orientation or continuing education program for new directors.

### **Ethical Business Conduct**

The Board of Directors has an insider trading policy which is intended to ensure compliance with applicable securities laws governing trading in securities of the Corporation while in possession of material non-public information concerning the Corporation and the avoidance of tipping or disclosing material non-public information to unauthorized persons.

### **Nomination of Directors**

Responsibility for identifying new candidates to join the Board of Directors and recommending nominees for election as directors belongs to the Board of Directors as a whole at this time. The Board of Directors is required to consider candidate independence, financial acumen, skills and available time to devote to the duties of the Board of Directors in making their recommendations for nomination.

### **Compensation**

The Corporation did not pay any compensation to its Named Executive Officers or directors when it was a Capital Pool Company. Since the completion of its Qualifying Transaction, the Board of Directors as a whole reviews the compensation of the Named Executive Officers.

### **Assessments**

The Board of Directors takes steps to satisfy itself that the Board, the Audit Committee and individual directors are performing effectively by providing each director with the opportunity to attend all meetings either in person or by teleconference at the cost of the Corporation.

## **AUDIT COMMITTEE DISCLOSURE**

Under NI 52-110, the Corporation is required to include in its Information Circular the disclosure required under Form 52-110F2 with respect to its Audit Committee. As a venture issuer, it is exempt from certain requirements of NI 52-110 regarding the composition of the Audit Committee and the obligation to provide disclosure in an annual information form.

### **Audit Committee Terms of Reference**

The Board of Directors has adopted written Terms of Reference for the Audit Committee, which are attached to this Information Circular as Appendix A. Upon request, Viper will promptly provide a copy of such document free of charge to Shareholders.

### **Audit Committee**

Until August 17, 2010, the Audit Committee was comprised of three individuals (Melanie T. Blair, Pierre P.G. Magnan and Evatt F.A. Merchant), two of whom were independent and all of whom were financially literate as defined by NI 52-110. From August 17, 2010 until January 4, 2011, the Audit Committee was comprised of three individuals (Melanie T. Blair, Joseph Del Campo and Christopher M. Wolfenberg), two of whom were independent and all of whom are financially literate as defined by NI 52-110. Mr. Wolfenberg is not considered independent because he is a partner of Macleod Dixon LLP, a law firm that provides advisory services to Viper. Since January 4, 2011, the Audit Committee has been comprised of three individuals (Melanie T. Blair, Gregory A. Jerome and Christopher M. Wolfenberg), one of whom is independent and all of whom are financially literate as defined by NI 52-110. Mr. Jerome is not considered independent because he was an executive officer of Viper until January 2011. Notwithstanding the above, a majority of the Audit Committee is considered independent for the purposes of the TSXV as the only current officer, employee or control person of the Corporation is Mr. Wolfenberg in his capacity as Corporate Secretary of the Corporation.

In considering criteria for the determination of financial literacy, the Board of Directors looks at the ability to read and understand financial statements. Mr. Jerome is considered to be financially literate because of his role as Chief Financial Officer of Skana Exploration Ltd. since April 2007 and his roles prior thereto as the Vice President, Finance of Esprit Energy Trust from May 1999 to March 2007 and Manager, Taxation at PricewaterhouseCoopers from February 1997 to May 1999. In addition, Mr. Jerome is a member of the Institute of Chartered Accountants of Alberta. Ms. Blair and Mr. Wolfenberg obtained financial experience and exposure to accounting and financial issues through their legal professions.

The Audit Committee reviews the interim and annual financial statements and related financial reporting of Viper. The members of the Audit Committee have direct access to the external auditors of the Corporation. The Audit Committee or the full Board of Directors reviews the unaudited quarterly financial statements and management's discussion and analysis of financial results. At no time since the Corporation's inception was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

### **Fees Charged by External Auditors**

The following table sets out the aggregate fees billed by the Corporation's external auditors in the last financial year for the category of fees described.

<b>Category</b>	<b>Period Ended December 31, 2010 (\$)</b>	<b>Year Ended December 31, 2009 (\$)</b>
Audit Fees	\$20,000	\$9,975
Audit-Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
<b>Total</b>	<b>\$20,000</b>	<b>\$9,975</b>

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors or officers of the Corporation, nominees for election as a director of the Corporation, or associates of such persons have been indebted to the Corporation or any of its subsidiaries at any time since the beginning of the most recently completed fiscal year. No such person has been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries in respect of the purchase of securities or otherwise.

### **INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS**

No director or officer of Viper, proposed nominee for election as a director of the Corporation, Shareholder who beneficially owns more than 10% of the Common Shares of the Corporation, or any 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 material transaction since the commencement of the Corporation's last financial year except as otherwise disclosed in this Information Circular. None of the foregoing persons has any interest in any proposed transaction which has materially affected or would materially affect the Corporation.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON**

None of the directors or senior officers of Viper is aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than as disclosed in this Information Circular.

## ANNUAL AND SPECIAL MEETING BUSINESS

### FINANCIAL STATEMENTS AND AUDITORS' REPORT

Audited financial statements for the year ended December 31, 2010 and the report of the auditors thereon will be mailed to shareholders together with this Information Circular on or about May 20, 2011. The presentation of such audited financial statements to the Shareholders at the Meeting will not constitute a request for approval or disapproval.

### ELECTION OF DIRECTORS

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of one and a maximum of 11 directors to be elected annually. The term of office for each director is from the date of the meeting at which he or she is elected until the annual meeting next following or until his or her successor is duly elected or appointed.

The Board of Directors currently consists of six directors. It is proposed that the same six directors be elected at the Meeting.

**It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of the nominees specified below as directors of the Corporation.** If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, their principal occupation or employment, the date on which they became directors of Viper and the number of Common Shares in the capital of the Corporation beneficially owned directly or indirectly or over which they exercise control or direction.

Name and Municipality of Residence	Office Held	Principal Occupation	Director Since	Number of Shares Held
Paul C. Davis <sup>(2)</sup> Whitby, Ontario	President and Chief Executive Officer and a Director	President and Chief Executive Officer of Viper and Vice President, Exploration of First Nickel Inc.	August 17, 2010	412,000 <sup>(3)</sup>
Joseph Del Campo <sup>(2)</sup> Toronto, Ontario	Interim Chief Financial Officer and a Director	Chief Financial Officer of First Nickel Inc.	August 17, 2010	315,000 <sup>(4)</sup>
Melanie T. Blair <sup>(1)</sup> Calgary, Alberta	Director	Senior Counsel, Sherritt International Corporation	February 25, 2008	330,000 <sup>(5)</sup>
Gregory A. Jerome <sup>(1)</sup> Calgary, Alberta	Director	Chief Financial Officer of Skana Exploration Ltd.	February 25, 2008	330,000 <sup>(6)</sup>
Ram Ramachandran Ajax, Ontario	Director	Independent Consultant	March 29, 2011	Nil <sup>(7)</sup>
Christopher M. Wolfenber <sup>(1)</sup> Calgary, Alberta	Corporate Secretary and a Director	Lawyer, Macleod Dixon LLP	January 29, 2008	330,000 <sup>(8)</sup>

**Notes:**

- (1) Member of the Audit Committee.
- (2) Member of the Management Committee.
- (3) In addition, Mr. Davis holds Options to acquire 100,000 Common Shares at a price of \$0.20 per share, Options to acquire 150,000 Common Shares at a price of \$0.40 per share, and warrants to acquire 100,000 Common Shares at a price of \$0.40 per share.

- (4) In addition, Mr. Del Campo holds Options to acquire 100,000 Common Shares at a price of \$0.20 per share, Options to acquire 150,000 Common Shares at a price of \$0.40 per share and warrants to acquire 50,000 Common Shares at a price of \$0.40 per share.
- (5) In addition, Ms. Blair holds Options to acquire 48,000 Common Shares at a price of \$0.20 per share, Options to acquire 52,000 Common Shares at a price of \$0.40 per share and warrants to acquire 50,000 Common Shares at a price of \$0.40 per share.
- (6) In addition, Mr. Jerome holds Options to acquire 48,000 Common Shares at a price of \$0.20 per share, Options to acquire 52,000 Common Shares at a price of \$0.40 per share and warrants to acquire 50,000 Common Shares at a price of \$0.40 per share.
- (7) Mr. Ramachandran holds Options to acquire 100,000 Common Shares at a price of \$0.26 per share.
- (8) In addition, Mr. Wolfenberg holds Options to acquire 48,000 Common Shares at a price of \$0.20 per share, Options to acquire 52,000 Common Shares at a price of \$0.40 per share and warrants to acquire 50,000 Common Shares at a price of \$0.40 per share.

***Paul C. Davis, President, Chief Executive Officer and a Director***

Paul Davis has been the President and Chief Executive Officer of Viper since August 17, 2010 and the Vice President, Exploration of First Nickel Inc. (TSX: FNI) since June 2005. Prior thereto, he was the Vice President, Exploration of Canadian Arrow Mines Limited (TSXV:CRO) from April 2004 to June 2005 and a Consultant at Larchex Inc. (a private mining and excavation company) from June 2003 to April 2004. Mr. Davis was a director of Canadian Arrow Mines Limited (TSXV:CRO) from April 2004 to June 2005 and a director of Black Pearl Minerals Consolidated Inc. (CDNX) from June 2000 to July 2001. Mr. Davis has been a member of the Association of Professional Geoscientists of Ontario since February 2004. He has a Master of Science from the University of Alabama and a Bachelor of Science (honours) from the University of Western Ontario.

***Joseph Del Campo, Interim Chief Financial Officer and a Director***

Joseph Del Campo has been the Chief Financial Officer of First Nickel Inc. (TSX: FNI) since June 2005. Prior thereto, he was the Vice President, Finance and Chief Financial Officer of Unigold Inc. (TSXV: UGD) from January 2003 to May 2005. Mr. Del Campo currently serves on a number of public boards including Unigold Inc. (TSXV: UGD) since January 2003, Duran (TSXV: DRV) since July 2006. and Centurion Minerals Ltd. (TSXV: CTN) since November 2008. Mr. Del Campo has had the designation of Certified Management Accountant since September 1977 and completed a two-year Business Administration course from Ryerson Polytechnical Institute.

***Melanie T. Blair, Director***

Melanie Blair has been Senior Counsel, Oil, Gas and Power Division of Sherritt International since February 2008. Prior thereto, she was General Counsel at Calvalley Petroleum Inc. from January 2006 to February 2008 and a lawyer with the law firms of Macleod Dixon LLP from April 2003 to January 2006 and Torys LLP from May 1998 to April 2003. Ms. Blair holds a Bachelor of Arts from the University of Calgary and a Bachelor of Laws from Dalhousie University. She is a member of the law societies of Alberta and Upper Canada.

***Gregory A. Jerome, Chief Financial Officer and a Director***

Gregory Jerome has been the Chief Financial Officer of Skana Exploration Ltd. since April 2007. Prior thereto, he was Vice President Finance of Esprit Energy Trust from May 1999 to March 2007 and Manager, Taxation and predecessor positions at PricewaterhouseCoopers from February 1997 to May 1999. Mr. Jerome obtained a Bachelor of Business Administration from Simon Fraser University and is a member of the Institute of Chartered Accountants of Alberta.

***Ram Ramachandran, Director***

Mr. Ramachandran has over 25 years of financial reporting experience in a multitude of capacities. For over 10 years, he has consulted extensively on financial reporting and regulatory matters for public companies, accounting and law firms. Mr. Ramachandran has been the Chief Financial Officer of CanAlaska Uranium Inc. (mining) (TSXV) since April 2010 and the Chief Financial Officer of Purepoint Uranium Group Inc. (mining) (TSXV) since June 2005. He previously served as Associate Chief Accountant and Deputy Director, Corporate Finance at the Ontario Securities Commission and served as a senior member in the national office of an international accounting firm. He was also a member of the OSC's Continuous Disclosure Advisory Committee (2004-2007) and has completed the IFRS Certification program offered by the Institute of Chartered Accountants in England & Wales.

Mr. Ramachandran originally qualified as a Chartered Accountant in England & Wales and subsequently became a C.A. in Ontario in 1984. Mr. Ramachandran currently serves as a member of the audit committee of White Tiger Gold (TSX).

***Christopher M. Wolfenberg, Corporate Secretary and a Director***

Mr. Wolfenberg has been a lawyer with the law firm of Macleod Dixon LLP since July 2002. Mr. Wolfenberg holds a Bachelor of Social Sciences from the University of Ottawa, a Bachelor of Laws from Queen's University and a Master of Laws from Cornell Law School. Mr. Wolfenberg is a member of the Law Society of Alberta.

**Penalties Or Sanctions**

No proposed director of Viper has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority. Nor has any proposed director ever entered into a settlement agreement with a securities regulatory authority.

**Corporate Cease Trade Orders**

No proposed director of Viper has, within the ten years prior to the date of this Information Circular, been a director, chief executive officer or chief financial officer of any company that, while such person was acting in that capacity (or after such person ceased to act in that capacity but resulting from an event that occurred while that person was acting in such capacity) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days.

**Bankruptcies**

No proposed director of Viper has, within the ten years prior to the date of this Information Circular, been a director or executive officer of any company 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.

**Personal Bankruptcies**

No proposed director of Viper has, within the ten years preceding the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the individual.

**APPOINTMENT OF AUDITORS**

Viper recommends that McGovern, Hurley, Cunningham, LLP, Chartered Accountants be appointed as auditors of the Corporation, to hold office until the next annual meeting of the Corporation at such remuneration as may be fixed by the Board of Directors. McGovern, Hurley, Cunningham, LLP have been the auditors of the Corporation since October 14, 2010.

**The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote FOR the appointment of McGovern, Hurley, Cunningham, LLP, Chartered Accountants, as auditors of the Corporation.**

**APPROVAL OF OPTION PLAN**

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve a resolution approving the Corporation's existing Option Plan. Annual shareholder approval of the Option Plan is required by the TSXV. The terms of the Option Plan are described in this Information Circular (see "*Securities Authorized for Issuance under*

*Equity Compensation Plans – Option Plan*") and the Option Plan is attached as Appendix B to this Information Circular. No changes to the Option Plan are proposed.

The form of resolution to be considered by Shareholders at the Meeting is as follows:

"Be it resolved that:

1. the Corporation's existing stock option plan be and is hereby approved; and
2. any one officer or director of the Corporation is hereby authorized to execute and deliver all such documents and to do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. **The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote FOR the approval of the Option Plan.**

#### **OTHER BUSINESS**

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

#### **ADDITIONAL INFORMATION**

Financial information relating to Viper is provided in the Corporation's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2010. Copies of this management proxy circular, the annual financial statements and any interim financial statements of the Corporation subsequent to the annual financial statements may be obtained without charge by writing to the Corporate Secretary of the Corporation at c/o Macleod Dixon LLP, Suite 3700, 400 Third Avenue S.W., Calgary, Alberta T2P 4H2. Additional information relating to Viper is available on SEDAR at [www.sedar.com](http://www.sedar.com).



## APPENDIX A

### VIPER GOLD LTD.

#### AUDIT COMMITTEE TERMS OF REFERENCE

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The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Viper Gold Ltd. (the "**Corporation**") shall have the oversight responsibility, authority and specific duties as described below.

#### **Composition**

The Committee will be comprised of two or more directors as determined by the Board. Each Committee member shall, to the extent possible, satisfy the independence, financial literacy and experience requirements of applicable securities laws and rules, any applicable stock exchange requirements and any other applicable regulatory rules. Determinations as to whether a particular director satisfies the requirements for membership on the Committee shall be made by the full Board.

Members of the Committee shall be appointed by the Board. Each member shall serve until his or her successor is appointed, unless he or she shall resign or be removed by the Board or he or she shall otherwise cease to be a director of the Corporation. The Board shall fill any vacancy if the membership of the Committee is less than two directors.

The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a Chair by vote of a majority of the full Committee membership.

#### **Communication, Authority to Engage Advisors and Expenses**

The Committee shall have access to such officers and employees of the Corporation, the Corporation's external auditor and to such information respecting the Corporation, as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee provides an avenue for communication, particularly for outside directors, with the external auditor, on the one hand, and senior management and the Board, on the other hand. The external auditor shall have a direct line of communication to the Committee through its Chair and shall report directly to the Committee. The Committee, through its Chair, may contact directly any employee of the Corporation, and any employee may bring before the Committee, on a confidential basis, any matter involving the Corporation's financial practices or transactions.

The Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set the compensation for any such counsel and advisors. Any engagement of independent counsel or other advisors is to be at the Corporation's expense.

The Corporation shall be responsible for all expenses of the Committee that are deemed necessary or appropriate by the Committee in carrying out its duties.

## **Meetings and Record Keeping**

Meetings of the Committee shall be conducted as follows:

1. the Committee shall meet at least four times annually at such times and at such locations as the Chair of the Committee shall determine, provided that meetings shall be scheduled so as to permit timely review of the quarterly and annual financial statements and reports. The external auditor or any two members of the Committee may also request a meeting of the Committee;
2. the quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other;
3. if the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting;
4. the Chair shall, in consultation with the President and Chief Executive Officer and management and in consultation with the auditor, establish the agenda for the meetings and instruct management to ensure that properly prepared agenda materials are circulated to the Committee;
5. every question at a Committee meeting shall, if necessary, be decided by a majority of the votes cast;
6. the President and Chief Executive Officer and the Chief Financial Officer shall be available to advise the Committee, shall receive notice of meetings and may attend meetings of the Committee at the invitation of the Chair of the Committee. Other management representatives may be invited to attend as necessary; and
7. the Corporate Secretary or, in the absence of the Corporate Secretary, a Committee member or any other person selected by the Committee, shall act as secretary for the purpose of recording the minutes of each meeting.

The Committee shall provide the Board with a summary of all meetings together with a copy of the minutes from such meetings. Where minutes have not yet been prepared, the Chair shall provide the Board with oral reports on the activities of the Committee. All information reviewed and discussed by the Committee at any meeting shall be referred to in the minutes and made available for examination by the Board upon request to the Chair.

## **Responsibilities**

The Committee is part of the Board. Its primary functions are to assist the Board in fulfilling its oversight responsibilities with respect to: (i) the oversight, review and approval of the financial statements and the accounting and financial reporting processes of the Corporation; (ii) the assessment of the system of internal controls that management has established; and (iii) the external audit process. In addition, the Committee shall assist the Board, as requested, in fulfilling its oversight responsibilities with respect to (i) financial policies and strategies; (ii) financial risk management practices; and (iii) transactions or circumstances which could materially affect the financial profile of the Corporation.

The Committee shall be directly responsible, in its capacity as a committee of the Board, for recommending the external auditor, approving the compensation and retention of the external auditor and overseeing the work of the external auditor and the relationship of the external auditor with the Corporation (including the resolution of disagreements between management and the external auditor regarding financial reporting).

The Committee should have a clear understanding with the independent auditor that they must maintain an open and transparent relationship with the Committee, and that the ultimate accountability of the independent auditor is to the shareholders of the Corporation.

## **Specific Duties**

### **A. Relationship with External Auditor**

The Committee shall:

1. consider and make a recommendation to the Board as to the appointment or re-appointment of the external auditor;
2. consider and make a recommendation to the Board as to the compensation of the external auditor which is to be paid by the Corporation;
3. oversee the work of the external auditor in performing their audit or review services, and oversee the resolution of any disagreements between management of the Corporation and the external auditor;
4. review and discuss with the external auditor all significant relationships that the external auditor and its affiliates have with the Corporation and its affiliates in order to determine the external auditor's independence, including, without limitation:
  - (a) requesting, receiving and reviewing, on a periodic basis, a formal written statement from the external auditor delineating all relationships that may reasonably be thought to bear on the independence of the external auditor with respect to the Corporation;
  - (b) discussing with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor; and
  - (c) recommending that the Board take appropriate action in response to the external auditor's report to satisfy itself of the external auditor's independence;
5. review and discuss the audit plan of the external auditor with the external auditor, including the staffing thereof, prior to the commencement of the audit;
6. as may be required by applicable securities laws, rules and guidelines, either:
  - (a) pre-approve all non-audit services to be provided by the external auditor to the Corporation (and its subsidiaries, if any), or, in the case of *de minimus* non-audit services, approve such non-audit services prior to the completion of the audit; or
  - (b) adopt specific policies and procedures for the engagement of the external auditor for the purposes of the provision of non-audit services; and
7. review and approve the hiring policies of the Corporation regarding partners and employees and former partners and employees of the present and former external auditor of the Corporation.

### **B. Financial Statements and Financial Reporting**

The Committee shall:

1. review with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases. In particular, the Committee's review of such financial statements should include, but not be limited to:
  - (a) reviewing changes in accounting principles, or in their application, which may have a material effect on the current or future years' financial statements;

- (b) reviewing significant accruals, reserves or other estimates;
  - (c) reviewing the accounting treatment of unusual or non-recurring transactions; and
  - (d) reviewing disclosure requirements for commitments and contingencies;
2. upon completion of each audit, review with the external auditor the results of such audit. This process should include but not be limited to:
- (a) reviewing the scope and quality of the audit work performed;
  - (b) reviewing the capability of the Corporation's financial personnel;
  - (c) reviewing the co-operation received from the Corporation's financial personnel during the audit;
  - (d) reviewing the internal resources used;
  - (e) reviewing significant transactions outside of the normal business of the Corporation; and
  - (f) reviewing significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems;
3. review with management, and recommend to the Board for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases;
4. review with management and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other public disclosure document of the Corporation;
5. consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements (other than public disclosure referred to in clauses B.1 and B.3 above), and periodically assess the adequacy of such procedures;
6. review with management, the external auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Corporation, and the manner in which these matters may be, or have been, disclosed in the financial statements; and
7. review accounting, tax, legal and financial aspects of the operations of the Corporation as the Committee considers appropriate.

**C. Internal Controls**

The Committee shall review with management and the external auditor, the adequacy and effectiveness of the internal control and management information systems and procedures of the Corporation (with particular attention given to accounting, financial statements and financial reporting matters) and determine whether the Corporation is in compliance with applicable legal and regulatory requirements and with the Corporation's policies.

***D. Financial Risk Management***

The Committee may, if requested:

1. review the appropriateness and effectiveness of the Corporation's policies and business practices which impact on the financial integrity of the Corporation, including those relating to insurance, accounting, management reporting and risk management;
2. review with management and the external auditor their assessment of the significant financial risks and exposures of the Corporation and discuss with management the steps which the Corporation has taken to monitor and control such exposures;
3. review current and expected future compliance with covenants under any financing agreements;
4. review the activities of the Corporation's marketing group and the financial risks arising from such activities;
5. review the insurance program including coverage for such things as business interruption, general liabilities, and directors and officers liability;
6. review any other significant financial exposures including such things as tax audits, government audits or any other activities that expose the Corporation to the risk of a material financial loss;
7. report the results of such reviews to the Board for the purpose of assisting the Board in identifying the principal business risks associated with the businesses of the Corporation; and
8. review the appropriateness of the policies and procedures used in the preparation of the Corporation's financial statements and other required disclosure documents, and consider recommendations for any material change to such policies.

***E. Procedure For Complaints and Employee Submissions***

The Committee shall establish procedures for: (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

**Approval**

This Audit Committee Terms of Reference has been approved and adopted by Board effective March 14, 2008.

**APPENDIX B**  
**VIPER GOLD LTD.**  
**STOCK OPTION PLAN**

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1. **Purpose**

The purpose of the Plan is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

2. **Definitions and Interpretation**

When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed to there as follows:

- (a) **"Black-Out Period"** means a period of time imposed by the Corporation upon certain designated persons during which those persons may not trade in any securities of the Corporation;
- (b) **"Board of Directors"** means the board of directors of the Corporation;
- (c) **"Common Shares"** means common shares in the capital of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
- (d) **"Corporation"** means Viper Gold Ltd. and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;
- (e) **"Discounted Market Price"** means the last per share closing price for the Common Shares on the Exchange before the date of grant of an Option, less any applicable discount under Exchange Policies;
- (f) **"Exchange"** means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;
- (g) **"Exchange Policies"** means the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange;
- (h) **"Insider"** has the meaning ascribed thereto in Exchange Policies;
- (i) **"Option"** means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares from treasury at a price determined by the Board of Directors;
- (j) **"Option Period"** means the period determined by the Board of Directors during which an Optionee may exercise an Option, not to exceed the maximum period permitted by the Exchange, which maximum period is five (5) years other than any permitted extension pursuant to Section 8 due to a Black-Out Period;

- (k) "**Optionee**" means a person who is a director, officer, employee, consultant or other personnel of the Corporation or a subsidiary of the Corporation; a corporation wholly-owned by such persons; or any other individual or body corporate who may be granted an option pursuant to the requirements of the Exchange, who is granted an Option pursuant to this Plan; and
- (l) "**Plan**" shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended.

Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policies, including without limitation "Completion of the Qualifying Transaction", "Consultant", "Employee", "IPO", "Insider", "Investor Relations Activities", "Management Company Employee", "Qualifying Transaction", "Resulting Issuer", "Tier 1 Issuer" and "Tier 2 Issuer".

Wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

3. **Administration**

The Plan shall be administered by the Board of Directors. The Board of Directors shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Board of Directors shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to shareholder approval if required by the Exchange. Notwithstanding the foregoing or any other provision contained herein, the Board of Directors shall have the right to delegate the administration and operation of the Plan to a committee of directors appointed from time to time by the Board of Directors, in which case all references herein to the Board of Directors shall be deemed to refer to such committee.

4. **Eligibility**

The Board of Directors may at any time and from time to time designate those Optionees who are to be granted an Option pursuant to the Plan and grant an Option to such Optionee. Subject to Exchange Policies and the limitations contained herein, the Board of Directors is authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options) as it shall determine. No Option shall be granted to any person except upon recommendation of the Board of Directors. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Board of Directors shall so determine. Subject to Exchange Policies, the Corporation shall represent that the Optionee is a *bona fide* Employee, Consultant or Management Company Employee (as such terms are defined in Exchange Policies) in respect of Options granted to such Optionees.

5. **Participation**

Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation.

Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right with respect to continuance as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.

Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or full-time employee of or a consultant to the Corporation or any of its subsidiaries.

No Optionee shall have any of the rights of a shareholder of the Corporation in respect to Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, pursuant to this Plan.

6. **Common Shares Subject to Options**

The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time, and such aggregate number of Common Shares shall automatically increase or decrease as the number of issued and outstanding Common Shares changes. The Options granted under the Plan together with all of the Corporation's other previously established stock option plans or grants, shall not result at any time in:

- (a) the number of Common Shares reserved for its issuance in connection with the Plan exceeding 10% of the issued and outstanding Common Shares as at the closing of Corporation's IPO;
- (b) the number of Common Shares reserved for issuance pursuant to Options granted to Insiders exceeding 10% of the issued and outstanding Common Shares;
- (c) the grant to Insiders within a 12 month period, of a number of Options exceeding 10% of the outstanding Common Shares; or
- (d) the grant to any one (1) Optionee within a twelve month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares.

Subject to Exchange Policies, the aggregate number of Common Shares reserved for issuance to any one (1) Optionee under Options granted in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant.

Notwithstanding the foregoing, the aggregate number of Common Shares reserved for issuance to all Persons employed to provide Investor Relations Activities or to any one Consultant (as such terms are defined in Exchange Policies) under Options granted in any 12 month period shall not exceed 2% of the issued and outstanding Common Shares determined at the date of grant.

Appropriate adjustments shall be made as set forth in Section 14 hereof, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.

If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares subject thereto shall again be available for the purpose of the Plan.

7. **Option Agreement**

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to option, the exercise price and any other terms and conditions approved by the Board of Directors, all in accordance with the provisions of this Plan (herein referred to as the "**Stock Option Agreement**"). The Stock Option Agreement will be in such form as the Board of Directors may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.



8. **Option Period and Exercise Price**

Each Option and all rights thereunder shall be expressed to expire on the date set out in the respective Stock Option Agreement, which shall be the date of the expiry of the Option Period (the "**Expiry Date**"), subject to earlier termination as provided in Sections 10 and 11 hereof.

Notwithstanding the foregoing, in the event that the Expiry Date falls within a Black-Out Period or within ten (10) business days immediately after a Black-Out Period ends, the new Expiry Date of the Option shall be ten (10) business days from the date that the Black-Out Period ends.

Subject to Exchange Policies and any limitations imposed by any relevant regulatory authority, the exercise price of an Option granted under the Plan shall be as determined by the Board of Directors when such Option is granted and shall be an amount at least equal to the Discounted Market Price of the Common Shares.

9. **Exercise of Options**

An Optionee shall be entitled to exercise an Option granted to him at any time prior to the expiry of the Option Period, subject to Sections 10 and 11 hereof and to vesting limitations which may be imposed by the Board of Directors at the time such Option is granted. Subject to Exchange Policies, the Board of Directors may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist.

The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such Common Shares with respect to which the Option is being exercised.

Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including, without limitation, the 1933 Act, the *United States Securities and Exchange Act of 1934, as amended*, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are being purchased only for investment and without any present intention to sell or distribute such Common Shares if, in the opinion of counsel for the Corporation, such a representation is required by law.

10. **Ceasing to be a Director, Officer, Employee or Consultant**

If an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Optionee may, but only within ninety (90) days after the Optionee ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in Investor Relations Activities) or prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation. For greater certainty, any Optionee who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Plan.

Notwithstanding the foregoing, the Option previously granted prior to the Completion of the Qualifying Transaction by the Corporation to an Optionee who is a director, officer, employee or consultant of the Corporation on the date of completion of the transaction that will constitute a Qualifying Transaction of the Corporation but that does not continue as a director, officer, employee or consultant of the Resulting Issuer or any of its subsidiaries or affiliates for any reason other than for just cause or death of the Participant

shall be exercisable one (1) year from the date of the Completion of the Qualifying Transaction or prior to the expiry of the Option Period, whichever is earlier.

11. **Death of Optionee**

In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only:

- (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and
- (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

12. **Optionee's Rights Not Transferable**

No right or interest of any Optionee in or under the Plan is assignable or transferable, in whole or in part, either directly or by operation of law or otherwise in any manner except by bequeath or the laws of descent and distribution, subject to the requirements of the Exchange, or as otherwise allowed by the Exchange.

Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

13. **Takeover or Change of Control**

The Board of Directors shall have the power, in the event of:

- (a) any disposition of all or substantially all of the assets of the Corporation, or the dissolution, merger, amalgamation or consolidation of the Corporation with or into any other corporation or of such corporation into the Corporation, or
- (b) any change in control of the Corporation,

to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including without limitation, to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Board of Directors shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board of Directors prior to the completion of such transaction.

14. **Anti-Dilution of the Option**

In the event of:

- (a) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- (b) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common

Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change;

- (c) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option.

Adjustments shall be made successively whenever any event referred to in this section shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

15. **Costs**

The Corporation shall pay all costs of administering the Plan.

16. **Termination and Amendment**

The Board of Directors may amend from time to time or suspend, terminate or discontinue the terms and conditions of this Plan or any outstanding Option granted hereunder by resolution of the Board. Any amendments shall be subject to the prior consent of any applicable regulatory bodies, including the Exchange. Except as otherwise provided, any amendment to the Plan shall take effect only with respect to Options granted after the effective date of the amendment; provided that it may apply to Outstanding Options with the mutual consent of the Corporation and the Optionee to whom such Options have been granted. The Board of Directors shall have the power and authority to approve amendments relating to the Plan or to Options at any time, without the further approval of the shareholders of the Corporation or any Optionee whose Option is amended or terminated, including, without limitation, to the extent that such amendment:

- (a) is necessary to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights;
- (b) is for the purpose of curing any ambiguity, error or omission in the Plan or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
- (c) is an amendment to the Plan respecting administration and eligibility for participation under the Plan;
- (d) changes the terms and conditions on which Options have been granted pursuant to the Plan, including the re-pricing of such Options and changes to the length of the Option Period;
- (e) alters, extends or accelerates the terms of vesting applicable to any Option;

- (f) amends or modifies the mechanics for exercising Options, including the addition of a cashless exercise feature; or
- (g) is an amendment to the Plan of a "housekeeping nature";

provided that in case of any alteration, amendment or variation referred to in paragraph (a) and (b) of this Section 16 the alteration, amendment or variation does not:

- (h) amend the number of Common Shares issuable under the Plan;
- (i) increase an Option Period beyond the maximum period permitted by the Exchange, other than any permitted extension thereto due to a Black-Out Period;
- (j) add any form of financial assistance by the Corporation for the exercise of any Option;
- (k) result in a material or unreasonable dilution in the number of outstanding Common Shares or any material benefit to an Optionee; or
- (l) change the class of eligible participants to the Plan which would have the potential of broadening or increasing participation by Insiders of the Corporation;

and further provided that

- (m) disinterested shareholder approval will be obtained for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment; and
- (n) any Options granted prior to acceptance and approval of such amendments by the Exchange shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

17. **Applicable Law**

This Plan shall be governed by, administered and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

18. **Prior Plans**

On the effective date (as set out in Section 19 hereof), subject to Exchange approval and, if required, shareholder approval:

- (a) the Plan shall entirely replace and supersede prior stock option plans, if any, enacted by the Corporation; and
- (b) all outstanding options shall be deemed to be granted pursuant to the Plan.

19. **Effective Date**

This Plan shall become effective as of and from, March 14, 2008.