

## **SPEARMINT RESOURCES INC.**

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### **INFORMATION CIRCULAR**

May 8, 2013

### **INTRODUCTION**

This Information Circular accompanies the Notice of Annual General and Special Meeting of Shareholders (the “**Notice**”) and is furnished to the shareholders (the “**Shareholders**”) holding common shares (the “**Common Shares**”) in the capital of Spearmint Resources Inc. (the “**Company**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the Shareholders to be held at 10:30 a.m. on Monday, June 10, 2013 at the offices of Clark Wilson LLP, located at 800 – 885 West Georgia Street, Vancouver, BC, or at any adjournment or postponement thereof.

#### **Date and Currency**

The date of this Information Circular is May 8, 2013. Unless otherwise indicated, all dollar amounts referred to herein are in Canadian dollars.

### **PROXIES AND VOTING RIGHTS**

#### **Management Solicitation**

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

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

#### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Common Share that such Shareholder holds on May 6, 2013 (the “**Record Date**”) on the resolutions to be

voted upon at the Meeting, and any other matter to come before the Meeting.

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

**A Shareholder has the right to appoint a person or corporation (who need not be a Shareholder) to attend and act for or on behalf of that Shareholder at the Meeting, other than the Designated Persons named in the enclosed form of proxy.**

**To exercise this right, the Shareholder may do so by striking out the printed names of the Designated Persons and inserting the name of such other person and, if desired, an alternate to such person, in the blank space provided in the form of proxy. Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as a proxy and should provide instruction to the nominee on how the Shareholder’s shares should be voted. The nominee should bring personal identification to the Meeting.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”), at its offices located at 510 Burrard Street, 3rd Floor, Vancouver, BC V6C 3B9 at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. Alternatively, the completed form of proxy may be deposited with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

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

### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

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

### **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space on the proxy. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a

choice in the proxy with respect to a matter to be acted upon, then the Common Shares represented will be voted or withheld from the vote on that matter accordingly. The Common Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

**If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the Designated Persons named in the form of proxy. It is intended that the Designated Persons will vote the Common Shares represented by the proxy in favour of each matter identified in the proxy, including the vote for setting the number of directors for the ensuing year at four, electing of the nominees to the Company's Board of Directors (the "Board"), for the appointment of the auditors, for the Board to fix the remuneration of the auditor and for the approval of the stock option plan.**

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

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

#### **NON-REGISTERED HOLDERS**

Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depositary Services Inc. ("**CDS**")) of which the Intermediary is a participant. In accordance with the requirements as set out in National Instrument 54-101 of the Canadian Securities Administrators ("**NI 54-101**"), the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of Proxy (collectively, the "**Meeting Materials**") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

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

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this

case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or

- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “proxy authorization form”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

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

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

**These security holder materials are being sent, directly or indirectly, to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Company 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.**

All references to Shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Common Shares without par value and an unlimited number of preferred shares without par value. As of the Record Date, determined by the Board to be the close of business on May 6, 2013, a total of 8,400,000 Common Shares were issued and outstanding and no preferred shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the Company's directors and executive officers, no person or company beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than set forth below:

Name of Shareholder	Number of Common Shares	Percentage of Outstanding Common Shares <sup>(1)</sup>
CDS & CO <sup>(2)</sup>	6,547,000	77.94%

<sup>(1)</sup> Based on 8,400,000 Common Shares issued and outstanding as of May 6, 2013, on an undiluted basis.

<sup>(2)</sup> Management of the Company is unaware of the beneficial Shareholders of the Common Shares registered in the name of CDS & CO.

### NUMBER OF DIRECTORS

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

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at four. The number of directors will be approved if the affirmative vote of at least a majority of Common Shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at four.

**Management recommends the approval of an ordinary resolution to set the number of directors of the Company at four.**

### ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Negar Adam, Conrad Clemis, Tanveer Ali, Jason Shull and Gregory Thomson.

Management of the Company proposes to nominate four of the current directors, as further described in the table below, for election by the Shareholders as directors of the Company to hold office until the next annual meeting. Information concerning such persons, as furnished by the individual directors, is as follows:

Name, Province and Country of Residence, and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Director Since	Number of Common Shares Owned <sup>(1)</sup>
Conrad Clemis <sup>(2)(4)</sup> British Columbia, Canada  Chief Executive Officer and Director	Self-employed consultant offering consulting services for financing, corporate communications and investor relations to public companies, since March 2005.	October 14, 2009	100,000
Negar Adam <sup>(5)</sup> British Columbia, Canada  Chief Financial Officer, Secretary and Director	President of All Seasons Consulting Inc., a private company that provides consulting services to public companies, since February 1999.	September 23, 2009	500,000 <sup>(6)</sup>

Name, Province and Country of Residence, and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Director Since	Number of Common Shares Owned <sup>(1)</sup>
Tanveer Ali <sup>(2)(3)</sup> Ontario, Canada  Director	President of Opening Bell Investments Inc., a private company offering consulting services for financing, corporate communications and investor relations to public companies, since April 2004.	October 14, 2009	400,000
Gregory Thomson <sup>(2)(3)</sup> British Columbia, Canada  Director	Consulting mineral exploration geologist. Mr. Thomson was employed as a Consulting Senior Geologist with Huakan International Mining, a mineral exploration company listed on the TSX Venture Exchange from August 2010 to October 2012. He previously served as a contract geologist from June 2007 to December 2009 for Anglo Swiss Resources Inc., a mineral exploration company listed on the TSX Venture Exchange.	February 3, 2012	Nil

(1) Information has been furnished by the respective nominees individually, as disclosed on SEDI at www.sedi.ca.

(2) Denotes a member of the Audit Committee of the Company.

(3) Denotes an independent director.

(4) Conrad Clemiss was appointed the Chief Executive Officer of the Company on February 3, 2012.

(5) Negar Adam resigned as the Chief Executive Officer of the Company on February 3, 2012.

(6) Negar Adam holds 200,000 Common Shares directly and 300,000 Common Shares indirectly through All Seasons Consulting Inc., a private company controlled by Ms. Adam.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Common Shares represented by proxy for the election of any other persons as directors.

The Company operates with a standing Audit Committee, consisting of Conrad Clemiss, Tanveer Ali and Gregory Thomson. See "Audit Committee Disclosure" below for particulars.

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

#### **Corporate Cease Trade Orders**

To the best of management's knowledge, no proposed director of the Company is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

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

## **Bankruptcies**

To the best of management's knowledge, no proposed director of the Company has, within the ten (10) years before the date of this Information Circular, been a director or 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.

To the best of management's knowledge, no proposed director of the Company has, within the ten (10) years before the date of this Information Circular, has made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

## **Penalties or Sanctions**

To the best of management's knowledge, no proposed director or director, officer, insider or promoter of the Company, or a shareholder of the Company holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

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

## **EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Information Circular:

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

“**CFO**” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“**Named Executive Officer**” or “**NEO**” means:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 as determined in accordance with applicable securities laws; and

- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity at the end of the most recently completed financial year.

## **Compensation Discussion and Analysis**

### *Compensation Discussion and Analysis and Compensation Governance*

The Company's compensation program is intended to attract, motivate, reward and retain the management talent needed to achieve the Company's business objectives of improving overall corporate performance and creating long-term value for the Company's shareholders. The compensation program is intended to reward executive officers on the basis of individual performance and achievement of corporate objectives, including the advancement of the exploration and development goals of the Company. The Company's current compensation program is comprised of base salary or fees, short term incentives such as discretionary bonuses and long term incentives such as stock options.

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decision relating to them, as applicable, in accordance with the applicable corporate legislation.

In making compensation decisions, the Board strives to find a balance between short-term and long-term compensation and cash versus equity incentive compensation. Base salaries or fees and discretionary cash bonuses primarily reward recent performance and incentive stock options encourage NEOs and directors to continue to deliver results over a longer period of time and serve as a retention tool. The annual salary or fee for each NEO, as applicable, is determined by the Board based on the level of responsibility and experience of the individual, the relative importance of the position to the Company, the professional qualifications of the individual and the performance of the individual over time. The NEOs' performances and salaries or fees are to be reviewed periodically. Increases in salary or fees are to be evaluated on an individual basis and are performance and market-based. The amount and award of cash bonuses to key executives and senior management is discretionary, depending on, among other factors, the financial performance of the Company and the position of a participant.

Given the Company's current stage of development, the implications of the risks associated with the Company's compensation policies and practices have not been considered by the Board. Under the Company's compensation policies and practices, NEOs and directors are not prevented from purchasing financial instruments, including prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### *Share-based and Option-based Awards*

The Company regards the strategic use of incentive stock options as a cornerstone of the Company's compensation plan. The Company is committed to long-term incentive programs that promote the continuity of an excellent management team and, therefore, the long-term success of the Company. The Company established a formal plan under which stock options may be granted to directors, officers, employees and consultants as an incentive to serve the Company in attaining its goal of improved shareholder value. It applies to personnel at all levels and continues to be one of the Company's primary tools for attracting, motivating and retaining qualified personnel which is critical to the Company's



success. The Board is responsible for administering the Company’s stock option plan and determining the type and amount of compensation to be paid to directors, officers, employees and consultants of the Company including the awards of any stock options under a stock option plan. Stock options are typically part of the overall compensation package for executive officers. See “Particulars of Matters to be Acted Upon – Approval of Stock Option Plan” for further details regarding the Company’s incentive stock option plan.

All grants of stock options to the NEOs are reviewed and approved by the Board. In evaluating option grants to an NEO, the Board evaluates a number of factors including, but not limited to: (i) the number of options already held by such NEO; (ii) a fair balance between the number of options held by the NEO concerned and the other executives of the Company, in light of their responsibilities and objectives; and (iii) the value of the options (generally determined using a Black-Scholes analysis) as a component in the NEO’s overall compensation package.

### Summary Compensation Table

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

Name and Principal Position	Year	Salary (\$)	Share-based Awards <sup>(1)</sup> (\$)	Option-based Awards <sup>(1)</sup> (\$)	Non-equity Incentive Plan Compensation <sup>(1)</sup> (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Conrad Clemiss <sup>(2)</sup> Chief Executive Officer and Director	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2011	Nil	Nil	800 <sup>(3)</sup>	Nil	Nil	Nil	Nil	800
Negar Adam <sup>(4)</sup> Chief Financial Officer, Secretary and Director	2013	Nil	Nil	Nil	Nil	Nil	Nil	5,000 <sup>(5)</sup>	5,000 <sup>(5)</sup>
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2011	Nil	Nil	2,400 <sup>(3)</sup>	Nil	Nil	Nil	Nil	2,400

(1) “Share-based Awards” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Common Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock. “Option-based Awards” means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features. “Non-equity Incentive Plan Compensation” includes all compensation under an incentive plan or portion of an incentive plan that is not an equity incentive plan.

(2) Conrad Clemiss was appointed the Chief Executive Officer of the Company on February 3, 2012 and as a Director of the Company on October 4, 2009.

(3) Calculated by subtracting the exercise price from the market price as at January 31, 2011, multiplied by the number of options held. The last trading price of the Company’s Common Shares on January 31, 2011 was \$0.14 per share.

(4) Negar Adam was appointed as the Chief Executive Officer, Chief Financial Officer and Secretary of the Company on October 14, 2009 and as a Director of the Company on September 23, 2009. Negar Adam subsequently resigned as the Chief Executive Officer on February 3, 2012.

(5) Management fees.

### Narrative Discussion

The Company did not grant any stock options to its NEOs during the financial year ended January 31, 2013, nor has it granted any stock options subsequent to the financial year ended January 31, 2013.

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

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

### Incentive Plan Awards

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

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

The following table sets forth all option and share-based awards granted to NEOs that were outstanding as of January 31, 2013, including awards granted before the financial year ended January 31, 2013.

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 (\$)	Number of Common Shares or units of Common Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Conrad Clemiss <sup>(1)</sup> Chief Executive Officer and Director	20,000	\$0.10	April 30, 2015	1,900 <sup>(2)</sup>	Nil	Nil
Negar Adam <sup>(3)</sup> Chief Financial Officer, Secretary and Director	60,000	\$0.10	April 30, 2015	5,700 <sup>(2)</sup>	Nil	Nil

<sup>(1)</sup> Conrad Clemiss was appointed the Chief Executive Officer of the Company on February 3, 2012 and as a Director of the Company on October 4, 2009.

<sup>(2)</sup> Calculated by subtracting the exercise price from the market price as at January 31, 2013 which was \$0.195, multiplied by the number of options held.

<sup>(3)</sup> Negar Adam was appointed as the Chief Executive Officer, Chief Financial Officer and Secretary of the Company on October 14, 2009 and as a Director of the Company on September 23, 2009. Negar Adam resigned as the Chief Executive Officer on February 3, 2012.

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

The following table sets forth details of the value vested or earned for all incentive plan awards during the financial year ended January 31, 2012 by NEOs.

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)</b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Conrad Clemiss <sup>(1)</sup> Chief Executive Officer and Director	1,900 <sup>(2)</sup>	Nil	Nil
Negar Adam <sup>(3)</sup> Chief Financial Officer, Secretary and Director	5,700 <sup>(2)</sup>	Nil	Nil

(1) Conrad Clemiss was appointed the Chief Executive Officer of the Company on February 3, 2012 and as a Director of the Company on October 4, 2009.

(2) Calculated by subtracting the exercise price from the market price as at January 31, 2013 which was \$0.195, multiplied by the number of options held.

(3) Negar Adam was appointed as the Chief Executive Officer, Chief Financial Officer and Secretary of the Company on October 14, 2009 and as a Director of the Company on September 23, 2009. Negar Adam resigned as the Chief Executive Officer on February 3, 2012.

### *Narrative Discussion*

Refer to the sections titled “Compensation Discussion and Analysis” and “Share-Based and Option-Based Awards”, above, and “Particulars of Other Matters to Be Acted Upon - Approval of Stock Option Plan”, below, for a description of all plan based awards and their significant terms. A copy of the Company’s current incentive stock option plan is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com) and will be available to Shareholders for review at the head office of the Company during normal business hours up to the date of the Meeting and at the Meeting. There was no re-pricing of stock options under the stock option plan or otherwise during the Company’s most recently completed financial year ended January 31, 2013.

The Company did not grant any stock options during the financial year ended January 31, 2013, nor has it granted any stock options subsequent to the financial year ended January 31, 2013.

### **Pension Plan Benefits**

The Company does not have a pension plan, defined benefit plan, defined contribution plan or deferred compensation plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

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

The Company has no plan or arrangement whereby any NEO may be compensated in the event of that NEO’s resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in the NEO’s responsibilities following such a change of control.

## Director Compensation

The Company did not provide any compensation to its directors, other than the directors that are NEOs, during the Company's most recently completed financial year ended January 31, 2013. The directors of the Company, other than NEOs, during the financial year ended January 31, 2013 were Conrad Clemmiss, Tanveer Ali, Jason Gigliotti, Graeme Sewell and Jason Shull. On February 3, 2012, Jason Gigliotti and Graeme Sewell resigned as directors and Gregory Thomson was appointed as a director. Also on February 3, 2012, Negar Adam resigned as Chief Executive Officer of the Company Conrad Clemmiss became Chief Executive Officer of the Company.

### *Narrative Discussion*

The Company does not have any arrangements, standard or otherwise, pursuant to which non-NEO directors are compensated by the Company for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The Board intends to continue to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Company.

Refer to the sections titled "Compensation Discussion and Analysis" and "Share-Based and Option-Based Awards", above, and "Particulars of Other Matters To Be Acted Upon - Approval of Stock Option Plan", below, for a description of all plan based awards and their significant terms. A copy of the Company's current incentive stock option plan is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com) and a copy will be available to Shareholders for review at the head office of the Company during normal business hours up to the date of the Meeting and at the Meeting. There was no re-pricing of stock options under the stock option plan or otherwise during the Company's most recently completed financial year ended January 31, 2013.

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

The following table sets forth all option and share-based awards granted to the Company's directors, other than the NEOs, that were outstanding as of January 31, 2013.

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 (\$)	Number of Common Shares or units of Common Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Tanveer Ali	80,000	\$0.10	April 30, 2015	7,600 <sup>(1)</sup>	Nil	Nil
Gregory Thomson	Nil	\$0.10	April 30, 2015	Nil	Nil	Nil
Jason Shull	80,000	\$0.10	April 30, 2015	7,600 <sup>(1)</sup>	Nil	Nil

<sup>(1)</sup> Calculated by subtracting the exercise price from the market price as at January 31, 2013 which was \$0.195, multiplied by the number of options held.

*Incentive Plan Awards – Value Vested or Earned During the Year*

The following table sets forth details of the value vested or earned for all incentive plan awards during the financial year ended January 31, 2012 by directors.

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)</b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Tanveer Ali	7,600 <sup>(1)</sup>	Nil	Nil
Gregory Thomson	Nil	Nil	Nil
Jason Shull	7,600 <sup>(1)</sup>	Nil	Nil

<sup>(1)</sup> Calculated by subtracting the exercise price from the market price as at January 31, 2013 which was \$0.195, multiplied by the number of options held.

*Narrative Discussion*

For a summary of the material provisions of the Company’s stock option plan, pursuant to which all option-based awards are granted to the Company’s directors, please see below under the heading “Particulars of Matters To Be Acted Upon – Approval of Stock Option Plan”. The Company has not granted any stock options subsequent to the financial year ended January 31, 2013.

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

As at January 31, 2013, the Company only had in place its incentive stock option plan. For information on the Company’s stock option plan, see “Particulars of Matters To Be Acted Upon – Approval of Stock Option Plan” below. The following securities were authorized for issuance under the Company’s stock option plan as of January 31, 2013:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by security holders	400,000	\$0.10	420,000
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	400,000	\$0.10	420,000

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

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No director, executive officer, employee of the Corporation or any proposed management nominee for election as director, or any associate of such director, executive officer or proposed nominee, has been indebted to the Corporation at any time during the financial year ended January 31, 2013.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Common Shares or who exercises control or direction of Common Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Common Shares outstanding (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Common Shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Common Shares.

## APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to vote for the appointment of Davidson & Company LLP, to serve as auditor of the Company for the Company’s fiscal year ending January 31, 2014 at a remuneration to be fixed by the Company’s board of directors. Davidson & Company LLP were first appointed as auditors of the Company on June 27, 2011.

**Management recommends that Shareholders vote in favour of the appointment of Davidson & Company LLP, as the Company’s auditor for the Company’s fiscal year ending January 31, 2014 at a remuneration to be fixed by the Company’s board of directors.**

## AUDIT COMMITTEE DISCLOSURE

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”) reporting issuers are required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee’s Charter, composition of the Committee, and the fees paid to the external auditor. The Company provides the following disclosure with respect to its Audit Committee:

### **Audit Committee Charter**

The following Audit Committee Charter was adopted by the Audit Committee and the Board:

#### *Mandate*

The primary function of the audit committee (the “**Committee**”) is to assist the Company’s Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to:

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

### *Composition*

The Committee shall be comprised of a minimum of three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in NI 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a “venture issuer” (as that term is defined in NI 52-110), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company’s Audit Committee Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders’ meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

### *Meetings*

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

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review
  - (a) review and update this Audit Committee Charter annually; and
  - (b) review the Company’s financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
2. External Auditors
  - (a) review annually, the performance of the external auditors who shall be ultimately accountable to the Company’s Board of Directors and the Committee as representatives of the shareholders of the Company;
  - (b) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;

- (c) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- (d) take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (e) recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- (f) recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- (g) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- (i) review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- (j) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services, and
  - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.



3. Financial Reporting Processes

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

4. Other

- (a) review any related-party transactions;
- (b) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (c) to set and pay compensation for any independent counsel and other advisors employed by the Committee.

**Composition of Audit Committee**

The members of the Company's Audit Committee are as follows:

<b>Member</b>	<b>Independent<sup>(1)</sup></b>	<b>Financially Literate<sup>(2)</sup></b>
Conrad Clemiss	No	Yes
Tanveer Ali	Yes	Yes
Gregory Thomson	Yes	Yes

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## **Relevant Education and Experience**

### ***Conrad Clemiss***

Mr. Clemiss has been a director and officer of numerous Canadian public companies. In addition to currently sitting on the board of several companies listed on the TSX Venture Exchange, Mr. Clemiss has been self-employed as a consultant who offers consulting services for financing, corporate communications and investor relations to public companies since March 2005. Mr. Clemiss' years of experience with public companies has given him significant exposure to the preparation and review of financial statements.

### ***Tanveer Ali***

Mr. Ali graduated from the University of Waterloo with a Bachelor of Arts in Political Science. Mr. Ali has been President since April 2004 of Opening Bell Investments Inc., a private company offering consulting services for financing, corporate communications and investor relations to public companies. Mr. Ali has been a director of Terra Firma Resources Inc., an exploration stage mining company, listed on the TSX Venture Exchange, since August 2009. From January 2007 to December 2010 Mr. Ali was the Vice President, Shareholder Relations of Everett Resources Ltd., of an exploration stage mining company listed on the Exchange. From August 2008 to January 2011, Mr. Ali was a director of Huaxing Machinery Corp. (formerly Samurai Capital Corp.) which is listed on the TSX Venture Exchange, all of which has given him extensive exposure to the preparation and review of financial statements.

### ***Gregory Thomson***

Mr. Thomson has over 30 years of mineral exploration experience, mainly as a mineral exploration project geologist, having worked as an employee and consultant to both junior and senior mineral exploration/ mining companies. Mr. Thomson has overseen numerous minor to advanced level mineral exploration programs and mineral property evaluations. Mr. Thomson holds a Bachelor of Science degree in Geology from the University of British Columbia. Mr. Thomson is a registered member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr. Thomson's years of experience with public companies has given him significant exposure to the preparation and review of financial statements.

## **Audit Committee Oversight**

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

## Reliance on Certain Exemptions

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

## Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company.

## External Auditor Service Fees

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

The aggregate fees billed by the Company's external auditor in the last two fiscal years ended January 31, 2013 and January 31, 2012 by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
January 31, 2013	\$17,000 <sup>(1)</sup>	Nil <sup>(1)</sup>	\$1,300 <sup>(1)</sup>	Nil
January 31, 2012	\$19,130	Nil	\$1,200	\$3,500

<sup>(1)</sup> These amounts are estimates as the fiscal January 31, 2013 audit and tax return are both currently underway.

## Exemption

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

## MANAGEMENT CONTRACTS

No management functions of the Company are to any substantial degree performed other than by the directors or executive officers of the Company.

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 *Disclosure of Corporate Governance Practices* prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

## Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent communication with the Board, Board meetings and unanimous consent resolutions of the Board. The current Board is comprised of five directors consisting of Conrad Clemiss, Negar Adam, Tanveer Ali, Jason Shull and Gregory Thomson. The Board has no formal procedures designed to facilitate the exercise of independent supervision over management, relying instead on the integrity of the individual members of its management team to act in the best interests of the Company.

Mr. Clemiss and Ms. Adam are not independent as they are the Chief Executive Officer and Chief Financial Officer and Secretary of the Company, respectively. Mr. Ali, Mr. Shull and Mr. Thomson are independent.

## Directorships

Certain of the directors and proposed directors are also directors or officers of other reporting issuers, as follows:

Director	Other Reporting Issuers
Conrad Clemiss	Brookemont Capital Inc. TAD Mineral Exploration Inc. Makena Resources Inc.
Negar Adam	Makena Resources Inc. TAD Mineral Exploration Inc. Habanero Resources Inc.
Tanveer Ali	Terra Firma Resources Inc.
Gregory Thomson	Makena Resources Inc. Victory Ventures Inc. MOAG Copper Gold Resources Inc.

## Orientation and Continuing Education

Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director. The Company provides continuing education for its directors as such need arises and encourages open discussion at all meetings which format encourages learning by the directors.

## Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience. The Board has decided to ask Shareholders to approving decreasing the size of the Board from five to four directors at the Meeting.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The Board is responsible for determining compensation for the directors of the Company to ensure it reflects the responsibilities and risks of being a director of a public company. For further particulars refer to “Executive Compensation – Compensation Discussion and Analysis” above.

### **Other Board Committees**

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

### **Assessments**

The Board has no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

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

Except as otherwise disclosed herein, no director or executive officer of the Company, who was a director or executive officer since the beginning of the Company’s last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Common Shares or other securities of the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the appointment of auditors or the approval of the Stock Option Plan.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **Approval of Stock Option Plan**

At the Meeting, the shareholders will be asked to re-approve the Company’s 10% Rolling Option Plan ("the Plan").

The Plan is a “rolling” stock option plan, whereby the aggregate number of Common Shares reserved for issuance under the Plan, including any other plan or agreement of the Company (including the existing stock option plan), shall not exceed 10% of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) at the time an option is granted. As of the date of this Information Circular, no options have been granted under the Plan. If the Plan is adopted at the Meeting, no further options will be granted under the existing stock option plan; however options previously granted under the existing stock option plan will continue to be subject to the terms of the existing stock option plan. The Plan complies with the current policies of TSX Venture Exchange.

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

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan which will be available to Shareholders for review at the head office of the Company during normal business hours up to the date of the Meeting and at the Meeting:

1. The Board shall establish the exercise price at the time each option is granted, subject to the following conditions:
  - (a) if the Common Shares are listed on the TSX Venture Exchange, the exercise price will not be less than the minimum prevailing price permitted by the TSX Venture Exchange Policies;
  - (b) if the Common Shares are not listed, posted and trading on any stock exchange or bulletin board, then the exercise price will be determined by the Board at the time of granting; and
  - (c) in all other cases, the exercise price shall be determined in accordance with the rules and regulations of any applicable regulatory bodies.
2. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, without having been exercised in full, the number of Common Shares in respect of the expired or terminated option shall again be available for an option grant under the Plan.
3. All options granted under the Plan may not have an expiry date exceeding ten years from the date on which the option is granted.
4. Options granted to any one individual in any 12 month period cannot exceed more than 5% of the issued and outstanding Common Shares of the Company, unless the Company has obtained disinterested shareholder approval.
5. Options granted to any one consultant in any 12 month period cannot exceed more than 2% of the issued and outstanding Common Shares of the Company, without the prior consent of the TSX Venture Exchange.
6. Options granted to all persons, in aggregate, conducting investor relations activities in any 12 month period cannot exceed more than 2% of the issued and outstanding Common Shares, without the prior consent of the TSX Venture Exchange.
7. The Plan provides that options issued to optionees performing investor relations activities will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
8. If a director, employee or consultant of the Company is terminated for cause or resigns, then any option granted to the option holder will terminate immediately upon the option holder ceasing to be a director, employee, or consultant by reason of termination for cause or by resignation.
9. If an option holder ceases to be a director, employee or consultant of the Company (other than by reason of death, disability, resignation or termination of services for cause), as the case may be, then any option granted to the option holder that had vested and was exercisable on the date of termination will expire immediately upon the option holder ceasing to be a director, employee or service provider of the Company.
11. If an option holder dies, the option holder's lawful personal representatives, heirs or executors may exercise any option granted to the option holder that had vested and was exercisable on the date of death until the earlier of the expiry date and one year after the date of death of the option holder.
12. If an option holder ceases to be a director, employee or consultant as a result of a disability, the option holder may exercise any option granted to the option holder that had vested and was

exercisable on the date of disability until the earlier of the expiry date and one year after the date of disability.

13. Stock options granted to directors, employees or consultants will vest when determined by the Board on a case by case basis, other than options granted to consultants performing investor relations activities, which will vest in stages over 12 months with no more than one quarter of the options vesting in any three month period.
14. The Plan will be administered by the Board who will have the full authority and sole discretion to grant options under the Plan to any eligible party, including themselves.
15. Options granted under the Plan shall not be assignable or transferable by an option holder.
16. The Board may from time to time, subject to regulatory or shareholder approval, if required under the policies of the TSX Venture Exchange, amend or revise the terms of the Plan.

Shareholders may review the full text of the Plan at the head office of the Company during normal business hours up to the date of the Meeting. A complete copy of the Plan will also be available for review at the Meeting.

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

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

As of the date hereof, there is an aggregate of 400,000 stock options outstanding under the existing Stock Option Plan, which is equal to 4.8% of the issued share capital of the Company, which leaves a total of 440,000 options available for grant under the Plan as of the date hereof.

At the Meeting, shareholders will be asked to approve the following ordinary resolution (the “**Plan Resolution**”), which must be approved by at least a majority of the votes cast by Shareholders represented in person or by proxy at the Meeting who vote in respect of the Plan Resolution:

“BE IT RESOLVED, as an ordinary resolution of the shareholders of the Company, that:

1. the Company’s stock option plan (the “**Plan**”) as described in the Information Circular dated May 8, 2013 be and is hereby approved and confirmed including the reserving for issuance under the Plan at any time of a maximum of 10% of the issued and outstanding shares of the Company, subject to any amendments that may be required by the TSX Venture Exchange;
2. the Company be authorized to abandon or terminate all or any part of the Plan if the Board of the Company deems it appropriate and in the best interests of the Company to do so;
3. the Company be and is hereby authorized to grant options pursuant and subject to the terms and conditions of the Plan;
4. the Company be and is hereby, at the discretion of the Board, to amend the exercise price of previously granted option agreements, without further

approval by the shareholders, all in accordance with the policies of the TSX Venture Exchange; and

5. any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commissions forms, as may be required to give effect to the true intent of this resolution.”

It is the intention of the Designated Persons named in the enclosed form of proxy, if not expressly directed otherwise in such form of proxy, to vote such proxy FOR the Plan Resolution.

**Management of the Company recommends that Shareholders vote in favour of the Plan Resolution.**

### **ADDITIONAL INFORMATION**

Additional information about the Company can be obtained free of charge through the SEDAR website at [www.sedar.com](http://www.sedar.com). Shareholders may also contact Conrad Clemiss, Chief Executive Officer at 1470 - 701 West Georgia Street, Vancouver, British Columbia V7Y 1C6, Telephone: 604.646.6903, Facsimile: 604.689.1733, to request copies of the Company’s financial statements and the related Management’s Discussion and Analysis (the “**MD&A**”). Unless otherwise indicated herein, financial information is provided in the Company’s comparative financial statements and MD&A for its financial year ended January 31, 2013. All other documents referenced herein are also available on the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com), and upon request from any Shareholder, the Company will provide a copy of any such document free of charge.

### **APPROVAL OF THE BOARD OF DIRECTORS**

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

Dated at Vancouver, British Columbia, the 8<sup>th</sup> day of May, 2013.

**ON BEHALF OF THE BOARD**

**SPEARMINT RESOURCES INC.**

“Conrad Clemiss”

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Conrad Clemiss  
Chief Executive Officer and Director