



7934 Government Road  
Burnaby, British Columbia  
V5A 2E2

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 2, 2011**

**AND**

**INFORMATION CIRCULAR**

*November 2, 2011*

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



7934 Government Road  
Burnaby, British Columbia  
V5A 2E2  
Telephone: 604-551-7831  
Facsimile: 604-676-2767

## **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

TO THE SHAREHOLDERS OF ROCKLAND MINERALS CORP.:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the "Meeting") of shareholders of Rockland Minerals Corp. (the "Company") will be held at the offices of Clark Wilson LLP, located at 800-885 West Georgia Street, Vancouver, British Columbia, on Friday, December 2, 2011, at the hour of 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial period ended December 31, 2010, and accompanying report of the auditors;
2. to appoint Saturna Group Chartered Accountants LLP as the auditors of the Company for the financial year ending December 31, 2011;
3. to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the financial year ending December 31, 2011;
4. to set the number of directors of the Company for the ensuing year at five (5);
5. to elect, individually, Ravinder S. Mlait, Bryan E. Loree, George F. Sanders, Brian Johnston and Kanwar Herr as the directors of the Company to serve until the next annual general meeting of the shareholders;
6. to consider and, if thought fit, to approve an ordinary resolution to approve the Company's rolling stock option plan, as described in the Information Circular accompanying this Notice of Meeting; and
7. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

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

The board of directors of the Company has fixed October 26, 2011 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1, at least 48

hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

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

DATED at Vancouver, British Columbia, this 2nd day of November, 2011.

By Order of the Board of

**ROCKLAND MINERALS CORP.**

*/s/ Ravinder S. Mlait*

\_\_\_\_\_

Ravinder S. Mlait

President, Chief Executive Officer and Director

**PLEASE VOTE. YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU EXPECT TO ATTEND THE MEETING, PLEASE COMPLETE, SIGN AND DATE THE ENCLOSED PROXY FORM AND PROMPTLY RETURN IT IN THE ENVELOPE PROVIDED.**



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## **INFORMATION CIRCULAR**

November 2, 2011

### **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 Rockland Minerals Corp. (the “Company”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “Meeting”) of the Shareholders to be held at 10:00 a.m. on Friday, December 2, 2011 at the offices of Clark Wilson LLP, 800-885 West Georgia Street, Vancouver, BC, or at any adjournment or postponement thereof.

#### **Date and Currency**

The date of this Information Circular is November 2, 2011. 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 customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

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

## **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Common Share that such Shareholder holds on October 26, 2011 (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 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.**

In order to be voted, the completed form of proxy must be received by the Company's registrar and transfer agent, Equity Financial Trust Company (the "Transfer Agent"), at its offices located on the 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1, or by the Company at the address set forth above, by mail or fax, 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 anytime, 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 the election of the nominees to the Company's Board of Directors (the "Board") and for the appointment of the auditors.**

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 Depository 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.

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

**These security holder materials are being sent 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 October 26, 2011, a total of 26,114,886 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 (October 26, 2011) 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, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
CDS & CO (NCI) <sup>(2)</sup>	17,958,975	68.8%
Consolidated International Investment Holdings Inc.	3,886,768 <sup>(3)</sup>	14.9%

<sup>(1)</sup> Based on 26,114,886 Common Shares issued and outstanding as of October 26, 2011. The Company believes that all persons hold legal title and the Company has no knowledge of actual Common Share ownership.

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

(3) The number of common shares disclosed as being held by Consolidated International Investment Holdings Inc., is based solely on information reported by Consolidated International Investment Holdings Inc. which was available on the SEDI website www.sedi.ca on November 2, 2011. The Company has not conducted any independent searches to verify such information. Consolidated International Investment Holdings Inc. has reported on SEDI that it also holds the following warrants to purchase common shares of the Company through five different funds: (a) Consolidated International Investment Holdings Inc. holds 113,459 warrants of the Company exercisable at \$0.26 per share expiring on October 28, 2012; (b) MineralFields 2011 Super Flow-Through LP holds 796,838 warrants of the Company exercisable at \$0.28 per share expiring on October 28, 2012; (c) MineralsFields 2011-IV Super Flow-Through LP holds 294,117 warrants of the Company exercisable at \$0.28 per share expiring on October 28, 2012; (d) Pathway Multi Series Fund Inc. holds 801,142 warrants of the Company exercisable at \$0.27 per share for the first year and \$0.35 per share for the second year expiring on September 7, 2012; and (e) MineralFields 2010-V Super Flow-Through LP holds 627,429 warrants of the Company exercisable at \$0.27 per share for the first year and \$0.35 per share for the second year expiring on September 7, 2012. Consolidated International Investment Holdings Inc. also holds the option to purchase 285,714 shares of the Company at a price of \$0.26 per share expiring on October 28, 2012. The number of options and warrants disclosed above, is based solely on information reported by Consolidated International Investment Holdings Inc. which was available on the SEDI website www.sedi.ca on November 2, 2011. The Company has not conducted any independent searches to verify such information.

### 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 five (5). 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 five (5).

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

### ELECTION OF DIRECTORS

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. The Company's current Board consists of Ravinder S. Mlait, Bryan E. Loree, George F. Sanders, Brian Johnston and Kanwar Herr.

Management of the Company proposes to nominate all 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/State Country of Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Ravinder S. Mlait, BA, MBA Burnaby, BC, Canada  President, Chief Executive Officer and Director	2008 to Present: President, Chief Executive Officer and Director, Rockland Minerals Corp.  2004 to 2010: Pacific Bay Minerals Ltd. (appointed VP of Business Development in 2007 / Corporate Communications Consultant from 2004 to 2007), a junior mining company.  2004 to 2007: Consultant, Cusac Gold Mines Ltd. (now known as China Minerals Mining Corporation), an exploration and development company.	June 12, 2008 to present	1,115,500 <sup>(4)</sup>



Name Province/State Country of Residence and Position(s) with the Company <sup>(1)</sup>	Principal Occupation Business or Employment for Last Five Years <sup>(1)</sup>	Periods during which Nominee has Served as a Director	Number of Common Shares Owned <sup>(1)</sup>
Bryan E. Loree <sup>(2)</sup> , BA, CMA Burnaby, BC, Canada  Chief Financial Officer, Secretary and Director	2008 to Present: Chief Financial Officer, Secretary and Director, Rockland Minerals Corp.  2007 to 2011: Worked as an accountant for various private companies.  2005 to 2007: Investor Relations Manager for various companies including Neo Alliance Minerals Inc., a mineral exploration company, Orko Silver Corp., a precious metal exploration company and Kottmeier Resolution Group, a private public relations company.  2002 to 2005: Financial Services Officer, Vancity Credit Union.	June 12, 2008 to present	1,100,500 <sup>(5)</sup>
George F. Sanders, M.Sc, P.Geo Bellingham, WA, USA  Director	2004 to Present: Professional Geologist.  2004 to 2008: Director, President and CEO, Pacific Bay Minerals, a junior mining company.  2005 to 2007: Director and Consulting Geologist, Cusac Gold Mines Ltd. (now known as China Minerals Mining Corporation), an exploration and development company.	June 12, 2008 to present	1,000,000 <sup>(6)</sup>
Brian Johnston <sup>(2)(3)</sup> Vancouver, BC, Canada  Director	September 2009 to Present: Senior VP Horizons Exchange Traded Funds Inc., an innovative financial services company.  February 2009 to August 2009: VP Business Development with JovFunds Inc., an innovative investment services company.  2007 to 2009: Regional Sales Manager at Franklin Templeton., an investment services company.  2004 to 2007: Senior VP at Gibraltar Consulting., an investment services company.	August 25, 2009 to present	252,500 <sup>(7)</sup>
Kanwar Herr <sup>(2)(3)</sup> , BA, LLP Maple Ridge, BC, Canada  Director	2005-Present: Lawyer with Dhinsa Law Office, focusing his practice in corporate law and civil litigation.  2004-2005: articulated with Lower Mainland law firms.	August 25, 2009 to present	131,000 <sup>(8)</sup>

(1) Information has been furnished by the respective nominees individually.

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

(3) Denotes an independent director.

(4) Ravinder S. Mlait holds 600,000 common shares under an escrow agreement dated March 8, 2010. Mr. Mlait also holds the following options to purchase common shares of the Company: (a) 150,000 common shares of the Company at \$0.15 per share expiring on July 2, 2020; (b) 75,000 common shares of the Company at \$0.15 per share expiring on July 5, 2015; and (c) 100,000 common shares of the Company at \$0.155 per share expiring on October 28, 2012.

(5) Bryan E. Loree holds 600,000 common shares under an escrow agreement dated March 8, 2010. Mr. Loree also holds the following options to purchase common shares of the Company: (a) 150,000 common shares of the Company at \$0.15 per share expiring on July 2, 2020; (b) 75,000 common shares of the Company at \$0.15 per share expiring on July 5, 2015; and (c) 100,000 common shares of the Company at \$0.155 per share expiring on October 28, 2012.

(6) George F. Sanders holds 600,000 common shares under an escrow agreement dated March 8, 2010. Mr. Sanders also holds the following options to purchase common shares of the Company: (a) 150,000 common shares of the Company at \$0.15 per share expiring on July 2, 2020; (b) 75,000 common shares of the Company at \$0.15 per share expiring on July 5, 2015; and (c) 100,000 common shares of the Company at \$0.155 per share expiring on October 28, 2012.

(7) Brian Johnston holds the following options to purchase common shares of the Company: (a) 75,000 common shares of the Company at \$0.15 per share expiring on July 2, 2020; (b) 45,000 common shares of the Company at \$0.15 per share expiring on July 5, 2015; and (c) 60,000 common shares of the Company at \$0.155 per share expiring on October 28, 2012.

- <sup>(8)</sup> Kanwar Herr holds 60,000 common shares under an escrow agreement dated March 8, 2010. Mr. Herr also holds the following options to purchase common shares of the Company: (a) 75,000 common shares of the Company at \$0.15 per share expiring on July 2, 2020; (b) 45,000 common shares of the Company at \$0.15 per share expiring on July 5, 2015; and (c) 60,000 common shares of the Company at \$0.155 per share expiring on October 28, 2012.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the 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 Bryan E. Loree, Brian Johnston and Kanwar Herr. There are no outstanding committees of the Board at this time, other than the Audit Committee.

**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 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.

### **Penalties and Sanctions**

To the best of management's knowledge, no proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with 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.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Information Circular:

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

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

“Named Executive Officers” or “NEO” means:

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

The objective of the compensation program is to compensate the NEOs fairly in accordance with industry standards to reward the NEOs for their time and effort to manage the Company and create shareholder value. The Company’s compensation program is reviewed and administered by the Board. Each NEO receives a cash component payable as a salary or a daily rate and has been granted stock options. The cash element is payable as a direct result of time spent to manage the Company. The stock options are granted to reward the NEOs for the Company’s performance and to provide incentive for continued engagement with the Company and for improved performance by the Company. The Board reviews industry standards based on similar roles and percentage of time spent working for the Company and grants stock options based on industry standards.

The Company entered into employment agreements with Ravinder S. Mlait and Bryan E. Loree dated May 1, 2011, whereby each of Mr. Mlait and Mr. Loree agreed to provide their respective services to the Company in consideration for the annual salary of \$72,000. The May 1, 2011 employment agreements with Mr. Mlait and Mr. Loree replace the employment agreements dated July 21, 2010 and July 1, 2010, respectively, which had replaced the consulting agreements entered into on November 10, 2009. The employment agreements include eligibility for bonus payments as determined by the Board from time to time in their sole discretion. The employment agreements outline that in the event that the CEO’s or CFO’s position changes for any reason, or if there is a change of control, the Company will pay the CEO and CFO a minimum of eighteen months’ salary if any such change happens. In the event of termination, the Company will pay the employee four month’s salary for each year that the employee has been an employee to the Company, with a minimum of twelve months’ salary payable for any termination before the third anniversary of the commencement of employment agreements. The employment agreements call for salary reviews on a quarterly basis.

The Board reviewed compensation policies of similar exploration stage companies when it set the annual salary for each of Mr. Mlait and Mr. Loree at of \$72,000. The Company reviewed the executive compensation of BE Resources Inc. where, at the time of the review, the Chief Executive Officer was compensated at a base salary of \$120,000 per annum for 100% of his time, and the Chief Financial Officer at \$24,000 per annum for 5% of this time. For the Company, the NEOs are each paid \$72,000 per annum for 100% of their time. At this time, the Board has not established any benchmark or performance goals that the NEOs must achieve in order to maintain their respective positions as NEOs with the Company. However, the NEOs are expected to carry out their duties in an effective and efficient way and advance the exploration goals of the Company. If the Board determines that these duties are not being met, the Board has the ability to replace such NEOs in its discretion.

On October 1, 2009, the Company entered into a stock option agreement with each of Ravinder S. Mlait and Bryan E. Loree, whereby the Company granted 150,000 Options to each person in consideration for their

services as directors and NEOs of the Company. Each Option is exercisable into one Common Share at the exercise price of \$0.15 expiring on July 2, 2020.

On July 5, 2010, the Company entered into a stock option agreement with each of Ravinder S. Mlait and Bryan E. Loree, whereby the Company granted 75,000 Options to each person in consideration for their services as directors and NEOs of the Company. Each Option is exercisable into one Common Share at the exercise price of \$0.15 expiring on July 5, 2015.

On October 28, 2010, the Company entered into a stock option agreement with each of Ravinder S. Mlait and Bryan E. Loree, whereby the Company granted 100,000 Options to each person in consideration for their services as directors and NEOs of the Company. Each Option is exercisable into one Common Share at the exercise price of \$0.155 expiring on October 28, 2012.

The Company does not have a Compensation or Nominating Committee at the present time. All tasks related to developing and monitoring the Company's approach to the compensation of officers of the Company and to developing and monitoring the Company's approach to the nomination of directors to the Board are performed by the members of the Board. The compensation of the NEOs and the Company's employees is reviewed, recommended and approved by the independent directors of the Company.

### **Option-Based Awards**

The executive officers review issued stock options periodically and make recommendations to the Board on granting additional options based on previous options issued, available options, and the service provided by the proposed optionee. The Board reviews the recommendation and determines if the granting of the options is in line with industry standards and either approves, declines, or revises the recommendation.

In accordance with Policy 4.4 of the TSX Venture Exchange (the "Exchange"), the directors of the Company have adopted a 10% rolling stock option plan (the "Plan") in the form attached as Schedule "A" to this Information Circular, subject to shareholder and Exchange approval. The Plan complies with the requirements of Exchange Policy 4.4 for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding Common Shares are proposed to be reserved at any time for issuance on the exercise of stock options. As the number of Common Shares reserved for issuance under the Plan increases with the issue of additional Common Shares, the Plan is considered to be a "rolling" stock option plan.

The Company has in effect the Plan in order to provide effective incentives to directors, officers, senior management personnel and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company's shareholders. The Company has no equity incentive plans other than the Plan at this time. The size of stock option grants to NEOs is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

## 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>(2)</sup> (\$)	Non-equity Incentive Plan Compensation <sup>(3)</sup> (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Ravinder S. Mlait President, Chief Executive Officer and Director <sup>(4)</sup>	2010	\$32,500	Nil	\$40,703 <sup>(7)</sup>	Nil	Nil	Nil	Nil	\$73,203
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(5)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bryan E. Loree Chief Financial Officer, Secretary and Director <sup>(6)</sup>	2010	\$17,500	Nil	\$40,703 <sup>(7)</sup>	Nil	Nil	Nil	Nil	\$58,203
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2008 <sup>(5)</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(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.

(2) “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.

(3) “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.

(4) Ravinder S. Mlait was appointed as a director of the Company on June 12, 2008 and as President and Chief Executive Officer of the Company on July 15, 2008.

(5) For the period from incorporation on June 12, 2008 to December 31, 2008.

(6) Bryan E. Loree was appointed President, Secretary and Director of the Company on June 12, 2008. He resigned as President effective July 15, 2008 and was appointed Chief Financial Officer on the same date.

(7) The fair market value of these were estimated at \$0.12 each at the grant date based on the Black-Scholes options pricing model, assuming a risk free interest rate of 1.76%, expected life (in years) of 3 and an expected volatility of 125%.

### Narrative Discussion

Ravinder S. Mlait entered into an employment agreement with the Company on May 1, 2011, whereby Mr. Mlait agreed to provide services as President and Chief Executive Officer for annual salary of \$72,000 per year, payable on a semi-monthly basis. The employment agreement calls for a salary review on a quarterly basis. Bryan E. Loree entered into an employment agreement with the Company on May 1, 2011, whereby Mr. Loree agreed to provide services as Chief Financial Officer for annual salary of \$72,000 per year, payable on a semi-monthly basis. The employment agreement calls for a salary review on a quarterly basis.

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

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

## Incentive Plan Awards

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

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

The following table sets forth all option and share-based awards granted to NEOs that were outstanding as of December 31, 2010, including awards granted before 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 (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Ravinder S. Mlait <sup>(1)</sup>	150,000	0.15	July 2, 2020	N/A <sup>(3)</sup>	Nil	Nil
	75,000	0.15	July 5, 2015	N/A <sup>(3)</sup>	Nil	Nil
	100,000	0.155	October 28, 2012	N/A <sup>(3)</sup>	Nil	Nil
Bryan E. Loree <sup>(2)</sup>	150,000	0.15	July 2, 2020	N/A <sup>(3)</sup>	Nil	Nil
	75,000	0.15	July 5, 2015	N/A <sup>(3)</sup>	Nil	Nil
	100,000	0.155	October 28, 2012	N/A <sup>(3)</sup>	Nil	Nil

<sup>(1)</sup> Ravinder S. Mlait was appointed as a director of the Company on June 12, 2008 and as President and Chief Executive Officer of the Company on July 15, 2008.

<sup>(2)</sup> Bryan E. Loree was appointed President, Secretary and Director of the Company on June 12, 2008. He resigned as President effective July 15, 2008 and was appointed Chief Financial Officer on the same date.

<sup>(3)</sup> None of the options held by the NEOs were in-the-money as of December 31, 2010. Value is calculated based on the difference between the market value of the securities underlying the options at December 31, 2010 being \$0.145 and the exercise price of the option.

### *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 year ended December 31, 2010 by NEOs.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ravinder S. Mlait President, Chief Executive Officer and Director <sup>(1)</sup>	Nil <sup>(3)</sup>	Nil	N/A
Bryan E. Loree Chief Financial Officer, Secretary and Director <sup>(2)</sup>	Nil <sup>(3)</sup>	Nil	N/A

<sup>(1)</sup> Ravinder S. Mlait was appointed as a director of the Company on June 12, 2008 and as President and Chief Executive Officer of the Company on July 15, 2008.

<sup>(2)</sup> Bryan E. Loree was appointed President, Secretary and Director of the Company on June 12, 2008. He resigned as President effective July 15, 2008 and was appointed Chief Financial Officer on the same date.

<sup>(3)</sup> None of the options held by the NEOs were in-the-money as of the vesting date. Value is calculated based on the difference between the market price of the securities underlying the options and the exercise price of the options on the vesting date.

### *Narrative Discussion*

For a summary of the material provisions of the Plan, pursuant to which all option-based awards are granted to NEOs, please see below under the heading “Particulars of Matters to Be Acted Upon – Approval of Stock Option Plan”. There was no re-pricing of stock options under the Plan or otherwise during the Company’s most recently completed financial year ended December 31, 2010.

#### **Pension Plan Benefits**

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

#### *Defined Benefits Plans*

The Company does not have a pension plan that provide for payments or benefits at, following, or in connection with retirement, excluding defined contribution plans.

#### *Defined Contribution Plans*

The Company does not have a pension plan that provides for payments or benefits at, following or in connection with retirement, excluding defined benefit plans.

#### *Deferred Compensation Plans*

The Company does not have any deferred compensation plan with respect to any NEO.

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

The Company entered into employment agreements with two NEOs (Bryan E. Loree and Ravinder S. Mlait), which, provide that in the event that the CEO’s or CFO’s position changes for any reason, or if there is a change of control, the Company will pay the CEO and CFO a minimum of eighteen months’ salary if any such change happens. In event of termination, the Company will pay the employee four month’s salary for each year that the employee has been an employee to the Company, with a minimum of twelve months’ salary payable for any termination before the third anniversary of the commencement of employment agreements. With the interested directors abstaining, the Board determined and approved the appropriate rate for the employment salaries.

#### **Director Compensation**

#### *Director Compensation Table*

The following table sets forth the details of all compensation provided to the Company’s directors, other than the NEOs, during the Company’s most recently completed financial year.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
George F. Sanders <sup>(1)</sup>	\$36,500 <sup>(4)</sup>	Nil	\$40,703 <sup>(5)</sup>	Nil	Nil	Nil	\$77,203
Brian Johnston <sup>(2)</sup>	Nil	Nil	\$22,274 <sup>(5)</sup>	Nil	Nil	Nil	\$22,274
Kanwar Herr <sup>(3)</sup>	Nil	Nil	\$22,274 <sup>(5)</sup>	Nil	Nil	Nil	\$22,274

<sup>(1)</sup> George F. Sanders has been a director of the Company since June 12, 2008.

<sup>(2)</sup> Brian Johnston has been a director of the Company since August 25, 2009.

- (3) Kanwar Herr has been a director of the Company since August 25, 2009.
- (4) The fees paid to Mr. Sanders were in respect of geological consulting services provided. See “Narrative Discussion” below.
- (5) The fair market value of these were estimated at \$0.12 each at the grant date based on the Black-Scholes options pricing model, assuming a risk free interest rate of 1.76%, expected life (in years) of 3 and an expected volatility of 125%.

### *Narrative Discussion*

The Company does not have any arrangements, standard or otherwise, pursuant to which 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.

On November 10, 2009, the Company entered into a consulting agreement with George F. Sanders, a director of the Company who is to provide geological consulting services at \$500 per day, with a guaranteed annual fee of \$60,000 per year, starting on the later of the date on which the Company completes its initial public offering and the director receives the necessary permit to work in Canada, for a period of one year. The agreement can be terminated by either party at any time by giving at least ten days’ advance notice in writing to the other party. The consulting agreement provides that in the event that the Company terminates the consulting agreement for any reason except for termination by the Company without notice in the event Mr. Sanders breaches the terms of the consulting agreement, the Company, in addition to any amounts owing to the Mr. Sanders as consulting fees, must pay an additional one month’s consulting fees (calculated based on 1/12 of the average yearly consulting fees paid under that consulting agreement) for each year that services were provided to the Company, with a minimum of three months’ fees payable for any termination before the third anniversary of the commencement of the consulting agreement. With the interested director abstaining, the Board determined and approved the appropriate rate for the consulting fee.

On August 20, 2010, the Company amended the consulting agreement entered into with George F. Sanders on November 10, 2009. All terms remain the same except the consulting agreement provides that in the event that the Company terminates the consulting agreement for any reason except for termination by the Company without notice in the event Mr. Sanders breaches the terms of the consulting agreement, the Company, in addition to any amounts owing to the Mr. Sanders as consulting fees, must pay an additional four month’s consulting fees (calculated based on 1/12 of the average yearly consulting fees paid under that consulting agreement) for each year that services were provided to the Company, with a minimum of twelve months’ fees payable for any termination before the third anniversary of the commencement of the consulting agreement. In the event that the Mr. Sanders’s position changes for any reason, or if there is a change of control, the Company will pay the Mr. Sanders a minimum of eighteen months’ consulting fees if any such change happens. With the interested director abstaining, the Board determined and approved the appropriate rate for the consulting fee.

On May 1, 2011, the Company amended the amended consulting agreement entered into with George F. Sanders, a director of the Company, on August 20, 2010. All terms remain the same except that Mr. Sanders will receive \$600 per day, to a maximum of \$72,000 per year for his geological consulting services.

### *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 December 31, 2010, including awards granted before the period 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 (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
George F. Sanders <sup>(1)</sup>	150,000	\$0.15	July 2, 2020	N/A <sup>(4)</sup>	N/A	N/A
	75,000	\$0.15	July 5, 2015	N/A <sup>(4)</sup>	N/A	N/A
	100,000	\$0.155	October 28, 2012	N/A <sup>(4)</sup>	N/A	N/A
Brian Johnston <sup>(2)</sup>	75,000	\$0.15	July 2, 2020	N/A <sup>(4)</sup>	N/A	N/A
	45,000	\$0.15	July 5, 2015	N/A <sup>(4)</sup>	N/A	N/A
	60,000	\$0.155	October 28, 2012	N/A <sup>(4)</sup>	N/A	N/A
Kanwar Herr <sup>(3)</sup>	75,000	\$0.15	July 2, 2020	N/A <sup>(4)</sup>	N/A	N/A
	45,000	\$0.15	July 5, 2015	N/A <sup>(4)</sup>	N/A	N/A
	60,000	\$0.155	October 28, 2012	N/A <sup>(4)</sup>	N/A	N/A

(1) George F. Sanders has been a director of the Company since June 12, 2008.

(2) Brian Johnston has been a director of the Company since August 25, 2009.

(3) Kanwar Herr has been a director of the Company since August 25, 2009.

(4) None of the options held by the Company's directors were in-the-money as of December 31, 2010. Value is calculated based on the difference between the market value of the securities underlying the options at December 31, 2010 being \$0.145 and the exercise price of the option.

#### *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 year ended December 31, 2010 by directors.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
George F. Sanders <sup>(1)</sup>	N/A <sup>(4)</sup>	N/A	N/A
Brian Johnston <sup>(2)</sup>	N/A <sup>(4)</sup>	N/A	N/A
Kanwar Herr <sup>(3)</sup>	N/A <sup>(4)</sup>	N/A	N/A

(1) George F. Sanders has been a director of the Company since June 12, 2008.

(2) Brian Johnston has been a director of the Company since August 25, 2009.

(3) Kanwar Herr has been a director of the Company since August 25, 2009.

(4) None of the options held by the Company's directors were in-the-money as of the vesting date. Value is calculated based on the difference between the market price of the securities underlying the options and the exercise price of the options on the vesting date.

#### *Narrative Discussion*

For a summary of the material provisions of the 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".

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at December 31, 2010, the following securities had been authorized for issuance under the Company's Plan:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>(1)</sup>
Equity compensation plans approved by security holders	1,695,000	\$0.15 per Common Share	150,214
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	1,695,000	\$0.15 per Common Share	150,214

<sup>(1)</sup> Based on 18,452,142 Common Shares issued and outstanding as of December 31, 2010.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

To the best of management's knowledge, no director or executive officer of the Company is indebted to the Company as of thirty days before the date of this Information Circular other than indebtedness incurred in the ordinary course of business, if any.

### 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.

On July 1, 2010, the Company entered into an employment agreement with Bryan E. Loree, whereby Mr. Loree agreed to provide services as the Chief Financial Officer of the Company for a salary of \$2,500 per month. The employment agreement replaced the consulting agreement entered into on November 10, 2009.

On July 5, 2010 the Company granted stock options to purchase 375,000 common shares under the Company's stock option plan, of which 315,000 have been granted to directors and officers and 60,000 to consultants. The granted options have an exercise price of \$0.15 expiring on July 5, 2015.

On July 21, 2010, the Company entered into an employment agreement with Ravinder S. Mlait, whereby Mr. Mlait agreed to provide services as the President and Chief Executive Officer of the Company for a salary of \$5,000 per month. The employment agreement replaced the consulting agreement entered into on November 10, 2009.

On August 20, 2010, the Company amended the consulting agreement entered into with George F. Sanders on November 10, 2009. All terms remain the same except the consulting agreement provides that in the event that the Company terminates the consulting agreement for any reason except for termination by the Company

without notice in the event Mr. Sanders breaches the terms of the consulting agreement, the Company, in addition to any amounts owing to the Mr. Sanders as consulting fees, must pay an additional four month's consulting fees (calculated based on 1/12 of the average yearly consulting fees paid under that consulting agreement) for each year that services were provided to the Company, with a minimum of twelve months' fees payable for any termination before the third anniversary of the commencement of the consulting agreement. In the event that the Mr. Sanders's position changes for any reason, or if there is a change of control, the Company will pay the Mr. Sanders a minimum of eighteen months' consulting fees if any such change happens. With the interested director abstaining, the Board determined and approved the appropriate rate for the consulting fee.

On October 28, 2010 the Company granted stock options to purchase 720,000 common shares under the Company's stock option plan, of which 420,000 have been granted to directors and officers and 300,000 to consultants. The granted options have an exercise price of \$0.155 expiring on October 28, 2012.

On April 1, 2011 the Company granted stock options to purchase 335,000 common shares under the Company's stock option plan, to consultants of the Company . The granted options have an exercise price of \$0.15 and have since been cancelled.

On May 1, 2011 the Company granted stock options to purchase 250,000 common shares under the Company's stock option plan, to consultants of the Company . The granted options have an exercise price of \$0.155 expiring on October 28, 2012.

On May 1, 2011 the Company granted stock options to purchase 70,600 common shares under the Company's stock option plan, to consultants of the Company . The granted options have an exercise price of \$0.26 expiring on November 1, 2012.

On May 1, 2011, the Company amended the amended consulting agreement entered into with George F. Sanders, a director of the Company, on August 20, 2010. All terms remain the same except that Mr. Sanders will receive \$600 per day, to a maximum of \$72,000 per year for his geological consulting services.

On May 1, 2011, the Company amended the amended employment agreements entered into with each of Rav Mlait and Bryan Loree, both a director and officer of the Company, on July 21, 2010 and July 1, 2010, respectively. All terms remain the same except that both Mr. Mlait and Mr. Loree will receive an annual salary of \$72,000 for their respective services to the Company.

#### **APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to vote for the appointment of Saturna Group Chartered Accountants LLP to serve as auditor of the Company for the fiscal year ending December 31, 2011, at a remuneration to be fixed by the Board.

Saturna Group Chartered Accountants LLP, was first appointed as auditor of the Company on September 27, 2009.

**Management recommends the appointment of Saturna Group Chartered Accountants LLP to serve as auditor of the Company for the fiscal year ending December 31, 2011 at a remuneration to be fixed by the Board.**

#### **AUDIT COMMITTEE DISCLOSURE**

##### **Audit Committee**

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the Board and to ensure the auditors have the ability to consider and discuss governance and audit issues with parties not directly responsible for operations. Applicable securities laws require the Company,

as a venture issuer, to disclose certain information relating to the Company's audit committee and its relationship with the Company's independent auditors.

### **Audit Committee Charter**

The following Audit Committee Charter was adopted by the Company's Board and Audit Committee on October 15, 2009:

#### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Company's Board 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.

#### *Composition*

The Committee shall be comprised of a minimum of three directors as determined by the Board. 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, 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, 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 at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, 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 Board 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 Board 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 Board the selection and, where applicable, the replacement of the external auditors nominated annually for Shareholder approval;
  - (f) recommend to the Board 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 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:

Bryan E. Loree	Not Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Kanwar Herr	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Brian Johnston	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

<sup>(1)</sup> 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. Mr. Loree is not independent, as he is the Chief Financial Officer and Secretary of the Company.

<sup>(2)</sup> 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

Bryan E. Loree, BA, CMA has been the Chief Financial Officer since July 2008 and Secretary and Director since June 2008 of Rockland Minerals Corp. From 2007 to 2011, Mr. Loree worked as an accountant for various private companies. Mr. Loree holds a Certified Management Accountant designation, a Financial Management Diploma from the British Columbia Institute of Technology, and obtained a Bachelor of Arts degree from Simon Fraser University in 2001. From 2006 to 2007, Mr. Loree managed investor relations for Neo Alliance Minerals Inc. (TSXV: NAM), a mineral exploration company. From 2005 to 2006, Mr. Loree managed investor relations for Orko Silver Corp. (TSXV: OK), a precious metal exploration company, and during 2005 Mr. Loree was an investor relations associate at Kottmeier Resolution Group, a private public relations company. From October 2002 to January 2005, Mr. Loree was a financial services officer at Vancity Credit Union.

Brian Johnston has been Senior Vice-President, with Horizons Exchange Traded Funds Inc. since September 2009, an innovative financial services company. From February 2009 to August 2009 Mr. Johnston was the Vice- President, Business Development at JovFunds Inc., an innovative investment services company. From 2007 to 2009, Mr. Johnston was the regional sales manager at Franklin Templeton, an investment services company. From 2004 to 2007, Mr. Johnston was the senior vice president at Gibraltar Consulting, an investment services company. Mr. Johnston has over 9 years experience in the investment industry, many of those spent in asset management and structured product sales. He started his career as an investment advisor with CIBC Wood Gundy, advising investors and corporations in Western Canada.

Kanwar Herr, BA, LLB has been an associate counsel at Dhinsa Law Office since 2005, focusing his practice in corporate law and civil litigation. Mr. Herr has significant experience in managing corporate affairs for private land development businesses across Canada and internationally. Mr. Herr obtained his Bachelor of Arts in Economics from Simon Fraser University in 2000 and his Bachelor of Laws (Honors) from the University of Wolverhampton in London, England in 2002.

### 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 December 31, 2010 and December 31, 2009 by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2010	\$10,500	\$4,500	\$1,600	Nil
December 31, 2009	\$7,500	Nil	Nil	Nil

## 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. NP 58-201 provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, NI 58-101 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 meetings or unanimous consent resolutions of the Board. The Board is comprised of five (5) directors consisting of George F. Sanders, Bryan E. Loree, Ravinder S. Mlait, Brian Johnston and Kanwar Herr. 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. Sanders is not independent as he is the Consulting Geologist of the Company. Mr. Mlait is not independent as he is the Chief Executive Officer and President of the Company. Mr. Loree is not independent as he is the Chief Financial Officer and Secretary of the Company.

## **Directorships**

No current director is presently a director of one or more other reporting issuers.

## **Orientation and Continuing Education**

New Board members receive an orientation package which includes reports on operations and results, and any public disclosure filings by the Company, as may be applicable. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

## **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 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.

## **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 Plan.

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

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

The Company's Stock Option Plan (the "Plan") is a "rolling" stock option plan, whereby the maximum number of common shares that may be reserved for issuance pursuant to the exercise of options is 10% of the issued Common Shares. The Plan is attached as Schedule "A" to this Information Circular.

The Plan was adopted by the Company's Board on October 1, 2009, and was amended and adopted by the Company's Board on December 23, 2009. The purpose of the Plan is to advance the interests of the Company and its shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Company of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Company by ownership of its stock. The Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant. The number of Common Shares which may be reserved in any 12 month period for issuance to any one consultant may not exceed 2% of the issued and outstanding Common Shares and the maximum number of Common Shares which may be reserved in any 12 month period for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Plan provides that options granted to any person engaged in investor relations activities will vest in stages over 12 months with no more than 1/4 of the stock options vesting in any three month period.

The Plan will be administered by the Board or a special committee of directors, either of which will have full and final authority with respect to the granting of all stock options thereunder. Stock options may be granted under the Plan to such directors, officers, employees or consultants of the Company, as the board of directors may from time to time designate.

The exercise price of any stock options granted under the Plan shall be determined by the Board, but may not be less than the market price of the Common Shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules). The term of any stock options granted under the Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of any stock options granted under the Plan may not exceed ten years. Options granted under the Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that a director or officer ceases to hold office,

options granted to such director or officer under the Plan will expire 90 days after such director or officer ceases to hold office.

Subject to certain exceptions, in the event that an employee, or consultant ceases to act in that capacity in relation to the Company, stock options granted to such employee, consultant or management company employee under the Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company.

Stock options granted to optionees engaged in investor relations activities on behalf of the Company expire 30 days after such optionees cease to perform such investor relations activities for the Company. In the event of death of an option holder, options granted under the Plan expire one year from the date of the death of the option holder.

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 Exchange and Shareholder approval. Shareholders will be asked at the Meeting to consider, and if thought fit, to approve an ordinary resolution to approve the Plan.

As of the date hereof, there is an aggregate of 1,765,000 stock options outstanding, which is equal to 6.8% of the issued share capital of the Company.

“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:

1. The Company’s Stock Option Plan (the “Plan”) as set forth in the Information Circular dated November 2, 2011, including the reservation for issuance under the Plan at any time of a maximum of 10% of the issued shares of the Company, be and is hereby approved, confirmed and ratified, subject to the acceptance of the Plan by the TSX Venture Exchange (the “Exchange”);
2. The Company be and is hereby authorized to grant stock options pursuant to the Plan;
3. The Board of Directors be authorized in their absolute discretion to establish the Plan and administer the Plan in accordance with its terms and conditions; and
4. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal of the Company or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to the foregoing resolutions, including, without limitation, making any changes to the Plan required by the Exchange or applicable securities regulatory authorities and to complete all transactions in connection with the implementation of the Plan.”

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

**Management of the Company recommends that shareholders vote in favour of the above ordinary resolution.**

#### **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 Ravinder S. Mlait, President and Chief Executive Officer at

7934 Government Road, Burnaby, British Columbia, V5A 2E2, Telephone: 604-551-7831, Facsimile: 604-676-2767, to request copies of the Company's financial statements and the related Management's Discussion and Analysis (the "MD&A"). Financial information is provided in the Company's comparative financial statements and MD&A for its financial period ended December 31, 2010.

### **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 2nd day of November, 2011.

**ON BEHALF OF THE BOARD**

**ROCKLAND MINERALS CORP.**

*/s/ Ravinder S. Mlait*

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Ravinder S. Mlait  
President, Chief Executive Officer and Director

## SCHEDULE A

### ROCKLAND MINERALS CORP. STOCK OPTION PLAN

#### 1. PURPOSE

The purpose of the Stock Option Plan (the “**Plan**”) of Rockland Minerals Corp., a body corporate incorporated under the *Business Corporations Act* (British Columbia) (the “**Company**”), is to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company to acquire shares in the Company, thereby increasing their proprietary interest in the Company, encouraging them to remain associated with the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of their affairs.

#### 2. ADMINISTRATION AND GRANTING OF OPTIONS

The Plan shall be administered by the Board of Directors of the Company or, if appointed, by a special committee of directors appointed from time to time by the Board of Directors of the Company, subject to approval by the Board of Directors of the Company (such committee or, if no such committee is appointed, the Board of Directors of the Company, is hereinafter referred to as the “**Committee**”) pursuant to rules of procedure fixed by the Board of Directors.

The Committee may from time to time designate bona fide directors, officers, employees or consultants of the Company (the “**Participants**”) to whom options to purchase common shares of the Company (each, an “**Option**”) may be granted and the number of common shares to be optioned to each, provided that the total number of common shares to be optioned shall not exceed the number provided in Clauses 3 and 4 hereof. The Company represents that Participants who are granted Options will be bona fide directors, officers, employees or consultants of the Company at the time of grant.

#### 3. SHARES SUBJECT TO PLAN

Subject to adjustment as provided in Clause 13 hereof, the shares to be offered under the Plan shall consist of Options to acquire up to a maximum of 10% of the number of issued and outstanding common shares in the Company’s capital stock at the time of the grant. The aggregate number of shares to be delivered upon the exercise of all Options granted under the Plan shall not exceed the maximum number of shares permitted under the rules of any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction. If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased shares subject thereto shall again be available for the purpose of this Plan.

#### 4. NUMBER OF OPTIONED SHARES

The number of shares subject to an Option to a Participant, other than a Consultant (as defined in the policies of the TSX Venture Exchange (the “**Exchange**”) and an Employee (as defined in the policies of the Exchange) conducting Investor Relations Activities (as defined in the policies of the Exchange) shall be determined by the Committee, but no Participant, where the Company is listed on any stock exchange, shall be granted an Option which exceeds the maximum number of shares permitted under any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction, which maximum number of shares is presently an amount equal to 5% of the then issued and outstanding shares of the Company (on a non-diluted basis) in any 12 month period.

The maximum number of shares subject to an Option to a Participant who is a Consultant is presently limited to an amount equal to 2% of the then issued and outstanding shares of the Company (on a non-diluted basis) in any 12 month period.

The number of options granted to all persons in aggregate who are employed to perform Investor Relations Activities is presently limited to an amount equal to 2% of the then issued and outstanding shares of the Company (on a non-diluted basis) in any 12 month period, provided that such Options vest in stages over a 12 month period with no more than 1/4 of the Options vesting in any 3 month period.

5. MAINTENANCE OF SUFFICIENT CAPITAL

The Company shall at times during the term of the Plan reserve and keep available such numbers of shares as will be sufficient to satisfy the requirements of the Plan.

6. PARTICIPATION

The Committee shall determine to whom Options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such Options shall be granted and the number of shares to be subject to each Option. An individual who has been granted an Option may, if the individual is otherwise eligible, and if permitted by any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction, be granted an additional Option or Options if the Committee shall so determine.

7. EXERCISE PRICE

The exercise price of the shares covered by each Option shall be determined by the Committee. The exercise price shall not be less than the price permitted by any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction. Currently, the minimum exercise price as determined by the Exchange is not less than the Discounted Market Price (as defined by the Exchange).

8. DURATION OF OPERATION

Each Option and all rights thereunder shall be expressed to expire on the date set out in the option agreements and shall be subject to earlier termination as provided in Clauses 11 and 12.

9. OPTION PERIOD, CONSIDERATION AND PAYMENT

- (a) The option period (the “**Option Period**”) shall be a period of time fixed by the Committee, not to exceed the maximum period permitted by any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction, which maximum period is presently ten (10) years from the date the Option is granted, provided that the Option Period shall be reduced with respect to any Option as provided in Clauses 11 and 12 covering cessation as a director, officer, employee or consultant of the Company or death of the Participant.
- (b) Except as set forth in Clauses 11 and 12, no Option may be exercised unless the Participant is, at the time of such exercise, a director, officer, employee or consultant of the Company.
- (c) The exercise of any Option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or

bank draft for the full purchase price of such shares with respect to which the Option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any shares subject to an Option under this Plan unless and until the certificates for such shares are issued to such persons under the terms of the Plan.

10. HOLD PERIOD

Share certificates issued on exercise of an Option shall be legended in all cases as may be required by applicable securities laws and the rules of the Exchange.

11. CEASING TO BE A DIRECTOR, OFFICER, EMPLOYEE OR CONSULTANT

If a Participant shall cease to be a director, officer, employee or consultant, as the case may be, of the Company for any reason (other than death), he may, but only within 90 days next succeeding his ceasing to be a director, officer, employee or consultant, exercise his Option to the extent that he was entitled to exercise it at the date of such cessation provided that, in the case of a Participant who is engaged in Investor Relations Activity (as that term is defined in the policies of the Exchange) on behalf of the Company, this 90 day period referenced herein shall be shortened to 30 days.

Nothing contained in the Plan, nor in any Option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, employee or consultant of the Company or of any affiliate.

12. DEATH OF A PARTICIPANT

In the event of the death of a Participant, the Option previously granted to him shall be exercisable only within the 12 months next succeeding such death and then only:

- (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent that he was entitled to exercise the Option at the date of his death.

13. ADJUSTMENTS

Appropriate and proportional adjustments in the exercise price of the Options and in the number of Options granted or to be granted may be made by the Committee in its discretion to give effect to adjustments in the number of common shares of the Company resulting from subdivisions, consolidations or reclassification of the common shares of the Company, the payment of stock dividends by the Company or other relevant changes in the capital of the Company.

14. TRANSFERABILITY

All benefits, rights and Options accruing to the Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein. During the lifetime of a Participant any benefits, rights and Options may only be exercised by the Participant.

15. AMENDMENT AND TERMINATION OF PLAN

The Committee may, at any time, suspend or terminate the Plan. The Board of Directors may, subject to such approvals as may be required under the rules of any stock exchange or which the common shares are then listed or other regulatory body having jurisdiction, also at any time amend or

revise the terms of the Plan, PROVIDED that no such amendment or revision shall alter the terms of any Options theretofore granted under the Plan.

16. NECESSARY APPROVALS

The ability of the Options to be exercised and the obligation of the Company to issue and deliver shares in accordance with the Plan is subject to any approvals which may be required from the shareholders of the Company, any regulatory authority or stock exchange having jurisdiction over the securities of the Company. So long as it remains a policy of the Exchange, the Company will obtain disinterested shareholder approval for:

- (a) any reduction in the exercise price of the Option if the Participant is an insider of the Company at the time of the proposed amendment;
- (b) the grant to any Participant, if the Participant is an insider of the Company at the time of the grant, within a 12 month period, of a number of options exceeding 10% of the issued shares;
- (c) the issuance to any one Participant, if the Participant is an insider of the Company at the time of the grant, of a number of shares exceeding 10% of the issued shares; or
- (d) the grant of Options if the Plan, together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in the grant to insiders of the Company, within a 12 month period, of a number of Options exceeding 10% of the issued shares.

If any shares cannot be issued to the Participant for whatever reason, the obligation of the Company to issue such shares shall terminate and any Option exercise price paid to the Company will be returned to the Participant.

17. PRIOR PLANS

The Plan shall entirely replace and supersede any prior share option plans, if any, adopted by the Board of Directors of the Company or its predecessor companies.

18. EFFECTIVE DATE OF PLAN

The Plan has been adopted by the Board of Directors subject to the approval of any stock exchange on which the shares of the Company are to be listed or other regulatory body having jurisdiction and approval of the shareholders and, if so approved, the Plan shall become effective upon such approvals being obtained.