

**SHAMROCK ENTERPRISES INC.**  
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## **MANAGEMENT INFORMATION CIRCULAR**

Containing information as at  
the Record Date, November 13, 2012  
*(unless otherwise noted)*

### **PERSONS MAKING THE SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by management of Shamrock Enterprises Inc. (the "Company") for use at the Annual General and Special Meeting (the "Meeting") of Shareholders to be held on December 13, 2012 at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company. All costs of this solicitation will be borne by the Company. The contents and the sending of this Information Circular have been approved by the Directors of the Company.

#### **Appointment of Proxyholder**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "Management Proxyholders").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

#### **Voting By Proxy**

Common shares of the Company (the "Shares") represented by properly executed proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the shareholder on any ballot that may be called for.

If no choice is specified and one of the Management Proxyholders is appointed by a shareholder as proxyholder, such person will vote in favour of the matters proposed at the Meeting and for all other matters proposed by management at the Meeting.

The enclosed form of proxy also confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of Annual General and Special Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

#### **Completion and Return of Proxy**

A proxy will not be valid unless completed, signed, dated and delivered to the office of the Company's registrar and transfer agent, Olympia Trust Company, by mail in the enclosed self-addressed envelope or by internet at <http://www.olympiustrust.com/proxy>, or by hand at Olympia Trust Company, Suite 1003, 750 West Pender Street, Vancouver, B.C. V6C 2T8 or by fax to 604.484.8638, not later than forty-eight (48) hours, excluding Saturdays,

Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

### **Registered and Non-Registered Holders**

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are 'non-registered' shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, TFSA's, RESPs and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a 'Nominee'). If you purchased your shares through a broker, you are likely an unregistered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form, as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Company to forward meeting materials directly to 'non objecting beneficial owners'. If the Company or its agent has sent these materials directly to you, (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

### **Voting Securities, Record Date and Principal Holders of Voting Securities**

As at November 13, 2012 the Company had outstanding 12,651,300 fully paid and non-assessable Shares without par value, each share carrying the right to one vote. The Company has no other classes of voting securities. At a general meeting of the Company, on a show of hands, every Shareholder present in person shall have one vote and, on a poll, every Shareholder shall have one vote for each Share of which he is the holder.

The Board of Directors has fixed November 13, 2012 as the record date for the Meeting. Any Shareholder of record at the close of business on November 13, 2012 who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such Shareholder's Shares voted at the Meeting.

To the best of the knowledge of the directors and senior officers of the Company, there are no persons or corporations which beneficially own, directly or indirectly, or exercise control or direction over Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company.

## STATEMENT OF EXECUTIVE COMPENSATION

During the financial year ended May 31, 2012, the Company had two Named Executive Officers, being Gordon R. Osinchuk and Ryan E.S.K. Cheung.

### Named Executive Officers

For the purposes of this Circular, a Named Executive Officer (“NEO”) of the Company means each of the following individuals:

- (a) a chief executive officer (“CEO”) of the Company;
- (b) a chief financial officer (“CFO”) of the Company; and
- (c) each of the Company’s four most highly compensated executive officers (except those whose total salary and bonus does not exceed \$150,000); and
- (d) any additional individuals whose total salary and bonus exceeding \$150,000 during the year ended May 31, 2012.

### Compensation Discussion and Analysis

Unless otherwise noted the following information is for the Company’s last completed financial year ended May 31, 2012.

The compensation of the executive officers is determined by the Board of Directors, based in part on recommendations from the Chief Executive Officer.

The Board of Directors evaluates individual executive performance with the goal of setting compensation at levels that they believe are comparable with executives in other companies of similar size and stage of development operating in the same industry. In connection with setting appropriate levels of compensation, the Board of Directors bases its decisions on general business and industry knowledge and experience and publicly available information of comparable companies while also taking into account the Company’s relative performance and strategic goals.

The executive officer compensation consists of two basic elements: i) base salary; and ii) incentive stock options. The details are set out in the Summary Compensation Table.

The base salary established for each executive officer is intended to reflect each individual’s responsibilities, experience, prior performance and other discretionary factors deemed relevant by the Board of Directors. In deciding on the salary portion of the compensation of the executive officers, major consideration is given to the fact that the Company is an early stage exploration company, does not generate any material revenue and must rely exclusively on funds raised from equity financing. Therefore, greater emphasis may be put on incentive stock option compensation.

The incentive stock option portion of the compensation is designed to provide the executive officers of the Company with a long term incentive in developing the Company's business. Options granted under the Company's stock option plan are approved by the Board of Directors, after consideration of the Company's overall performance and whether the Company has met targets set out by the executive officers in their strategic plan.

Although the Board has not formally evaluated the risks associated with the Company’s compensation policies and practices, the Board has no reason to believe that any risks that arise from the Company’s compensation policies and practices are reasonably likely to have a material impact on the Company.

### Summary Compensation Table

The following table contains a summary of the compensation paid to the NEOs during the Company's most recently completed financial year:

Name and Principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity Incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) <sup>(2)</sup>	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Gordon R. Osinchuk President and CEO	2012	118,000	N/A	6,864	Nil	Nil	Nil	15,000	139,864
	2011	69,750	N/A	39,545	Nil	Nil	Nil	12,000	121,295
	2010	38,000	N/A	Nil	Nil	Nil	Nil	Nil	38,000
Ryan E.S.K. Cheung Chief Financial Officer	2012	30,000	N/A	1,373	Nil	Nil	Nil	Nil	31,373
	2011	30,000	N/A	19,773	Nil	Nil	Nil	Nil	49,773
	2010	13,250	N/A	Nil	Nil	Nil	Nil	Nil	13,250

(1) The Company used the Black-Scholes pricing model under the following assumptions: (i) risk free interest rate of 1.64%-2.48%; (ii) expected dividend yield of nil; (iii) average expected volatility of 80.03%-114.88%; and (iv) an expected term of five years. The Black Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

(2) Represents the amount reimbursed to Mr. Osinchuk for the provision of office rent and equipment.

### Management Agreements

The Company entered into a management consulting agreement dated for reference May 1, 2010 with Gordon R. Osinchuk whereby Mr. Osinchuk provides services to the Company in his capacity as President and Chief Executive Officer for a monthly fee of \$6,500. The consulting agreement may be terminated by either party without cause upon providing the other with 30 days' notice or immediately by the Company upon written notice if Mr. Osinchuk fails to remedy any deficiency or default under the consulting agreement after having been given notice of such deficiency or default and a reasonable opportunity to remedy the same.

The Company has entered into a consulting agreement dated for reference March 1, 2010 with Ryan E. S. K. Cheung whereby Mr. Cheung provides services in his capacity as Chief Financial Officer of the Company for a monthly fee of \$2,500. The consulting agreement may be terminated by either party without cause upon providing the other with 30 day's notice or immediately by the Company upon written notice if Mr. Cheung fails to remedy any deficiency or default under the consulting agreement after having been given notice of such deficiency or default and a reasonable opportunity to remedy the same.

Other than as disclosed above, management functions of the Company are performed by directors, executive officers or senior officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

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

The following table sets forth information concerning all awards outstanding in relation to each of the NEOs, as at the end of the Company's most recently completed financial year and including awards granted before the most recently completed financial year:

<b>Name</b>	<b>Option-Based Awards</b>				<b>Share-Based Awards</b>		
	<b>Number of securities underlying unexercised options (#)</b>	<b>Option exercise price (\$)</b>	<b>Option expiration date (m/d/y)</b>	<b>Value of unexercised 'in-the-money' options (\$)<sup>(1)</sup></b>	<b>Number of Shares or units of Shares that have not vested (#)</b>	<b>Market or payout value of share-based awards that have not vested (\$)</b>	<b>Market or payout value of vested share-based awards not paid out or distributed (\$)</b>
Gordon R. Osinchuk <i>President and CEO</i>	250,000	0.25	11/10/15	Not in-the-money	N/A	N/A	N/A
	75,000	0.18	05/01/17	Not in-the-money	N/A	N/A	N/A
Ryan E.S.K. Cheung <i>Chief Financial Officer</i>	125,000	0.25	11/10/15	Not in-the-money	N/A	N/A	N/A
	15,000	0.18	05/01/17	Not in-the-money	N/A	N/A	N/A

<sup>(1)</sup> The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's shares at May 31, 2012 (closing price of \$0.125) and the exercise price of the options.

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

The value vested or earned during the Company's most recently completed financial year of incentive plan awards granted to NEOs are as follows:

<b>Name</b>	<b>Option-based awards - Value vested during the year (\$)</b>	<b>Share-based awards - Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation - Value earned during the year (\$)</b>
Gordon R. Osinchuk <i>President and CEO</i>	8,238	N/A	N/A
Ryan E.S.K. Cheung <i>Chief Financial Officer</i>	4,119	N/A	N/A

<sup>(1)</sup> The Company used the Black-Scholes pricing model under the following assumptions, for the initial grants on November 10, 2010: (i) risk free interest rate of 2.48%; (ii) expected divided yield of nil; (iii) average expected volatility of 114.88%; and (iv) an expected term of five years, and for the subsequent grants on May 1, 2012:(i) risk free interest rate of 1.61%; (ii) expected divided yield of nil; (iii) average expected volatility of 80.03%; and (iv) an expected term of five years The Black Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

#### **Pension and/or Deferred Compensation Plan**

The Company does not have a pension plan or deferred compensation plan.

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

Other than as disclosed under "Management Agreements", the Company has no contract, agreement, plan or arrangement that provides for payment to a NEO at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change in the NEO's responsibilities.

## DIRECTOR COMPENSATION

The following table describes total compensation paid or payable to Directors who each are not also a NEO for the Company's most recently completed year:

<i>Name</i>	<i>Fees earned (\$)</i>	<i>Share-based Awards (\$)</i>	<i>Option-based awards (\$)(1)</i>	<i>Non-Equity Incentive Plan Compensation (\$)</i>	<i>Pension value (\$)</i>	<i>All other Compensation (\$)</i>	<i>Total (\$)</i>
William C. Pettigrew	5,000	N/A	1,373	Nil	Nil	Nil	6,373
Michael R. Dake	5,000	N/A	1,373	Nil	Nil	Nil	6,373
Melvin P. Dickson	Nil	N/A	16,017	Nil	Nil	Nil	16,017

(1) The Company used the Black-Scholes pricing model under the following assumptions: (i) risk free interest rate of 1.64%; (ii) expected divided yield of nil; (iii) average expected volatility of 80.03%; and (iv) an expected term of five years. The Black Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

There are no management functions of the Company or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or senior officers (or private companies controlled by them, either directly or indirectly) of the Company.

### Stock Option Plan

The Company has a Stock Option Plan for the granting of incentive stock options to the Directors, officers, employees and consultants ("Eligible Persons"). The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Eligible Persons and to closely align the personal interests of such persons to that of the shareholders.

### Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Directors.

The following table sets out for each Director who is not also a NEO, all outstanding incentive stock options (option-based awards) to purchase Shares of the Company held as of May 31, 2012 including awards granted to the directors in prior years.

<i>Name</i>	<i>Option-based Awards</i>				<i>Share-based Awards</i>		
	<i>Number of securities underlying unexercised options (#)</i>	<i>Option exercise price (\$)</i>	<i>Option expiration date (m/d/y)</i>	<i>Value of unexercised in-the-money options (\$)(1)</i>	<i>Number of Shares or units of Shares that have not vested (#)</i>	<i>Market or payout value of share-based awards that have not vested (\$)</i>	<i>Market or payout value of vested share-based awards not paid out or distributed (\$)</i>
William C. Pettigrew	150,000	0.25	11/10/15	Not in-the-money	N/A	N/A	N/A
	15,000	0.18	05/01/17	Not in-the-money	N/A	N/A	N/A
Michael R. Dake	125,000	0.25	11/10/15	Not in-the-money	N/A	N/A	N/A
	15,000	0.18	05/01/17	Not in-the-money	N/A	N/A	N/A
Melvin P. Dickson	175,000	0.18	05/01/17	Not in-the-money	N/A	N/A	N/A

(1) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's shares at May 31, 2012 (closing price of \$0.125) and the exercise price of the options.

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

The following table sets forth, for each director who is not also a NEO, the attributed values of all incentive plan awards which vested or were earned during the year ended May 31, 2012:

<i>Name</i>	<i>Option-based awards - Value vested during the year (\$)<sup>(1)</sup></i>	<i>Share-based awards - Value vested during the year (\$)</i>	<i>Non-equity incentive plan compensation - Value earned during the year (\$)</i>
William C. Pettigrew	4,943	N/A	N/A
Michael R. Dake	4,119	N/A	N/A
Melvin P. Dickson	N/A	N/A	N/A

<sup>(1)</sup> The Company used the Black-Scholes pricing model under the following assumptions: (i) risk free interest rate of 2.48%; (ii) expected dividend yield of Nil; (iii) average expected volatility of 114.88%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

**Securities Authorized for Issuance under Equity Compensation Plans**

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

<i>Plan Category</i>	<i>Number of securities to be issued upon exercise of outstanding options, warrants and rights</i>	<i>Weighted-average exercise price of outstanding options, warrants and rights</i>	<i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</i>
Equity compensation plans approved by security holders	1,235,000	\$0.24	30,130
Equity compensation plans not approved by security holders	Nil	N/A	N/A
<b>Total</b>	<b>1,235,000</b>	<b>\$0.24</b>	<b>30,130</b>

The Company does not provide any financial assistance to optionees in order to facilitate the purchase of common shares under the Plan. There are no stock appreciation rights outstanding and it is currently intended that none be issued.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

There is no indebtedness of any director, executive officer, proposed nominee for election as a director or associate of the foregoing, guaranteed or supported by the Company, either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

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

An informed person is one who, generally speaking, is a director or executive officer or is a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which in either such case has materially affected or will materially affect the Company, except as set out herein.

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

To the knowledge of management of the Company, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, "Person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses and becomes more active in operations. National Instrument 58-101 *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices in Form 58-101F2, which disclosure is set out below.

#### **Mandate of the Board**

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In fulfilling its mandate, the Board, among other matters, approves all significant decisions that affect the Company before they are implemented. The Board supervises their implementation and reviews the results.

The Board is actively involved in the Company's strategic planning process. The Board discusses and reviews all materials relating to the strategic plan with management. The Board is responsible for reviewing and approving the strategic plan. Management must seek the Board's approval for any transaction that would have a significant impact on the strategic plan.

The Board periodically reviews the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Board also monitors the Company's compliance with



its timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board periodically discusses the systems of internal control with the Company's external auditor.

The Board is responsible for choosing the President and appointing senior management and for monitoring their performance and developing descriptions of the positions for the Board, including the limits on management's responsibilities and the corporate objectives to be met by the management.

The Board, through its Audit Committee, examines the effectiveness of the Company's internal control processes and management information systems. The Board consults with the internal auditor and management of the Company to ensure the integrity of these systems. The internal auditor submits a report to the Audit Committee each year on the quality of the Company's internal control processes and management information systems.

The Board is responsible for determining whether or not each director is an independent director.

#### **Independence of Members of Board**

Directors are considered to be "independent" if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Company's Board consists of four Directors, three of whom are independent based upon the tests for independence set forth in Nation Instrument 52-110 *Audit Committees* ("NI 52-110"). In accordance with section 1.4 of NI 52-110, Gordon R. Osinchuk is not independent as he is the President and CEO of the Company.

#### **Directorships**

Two of the directors of the Company are currently directors of other reporting issuers:

<b>Name</b>	<b>Directorships with other reporting issuers</b>
William C. Pettigrew	<ul style="list-style-type: none"><li>• AMI Resources Inc.</li><li>• Bonaparte Resources Inc.</li><li>• Midasco Capital Corp.</li></ul>
Michael R. Dake	<ul style="list-style-type: none"><li>• New Destiny Mining Corp.</li><li>• Britannica Resource Corp.</li><li>• Taipan Resources Inc.</li><li>• Cricket Resources Inc.</li></ul>

#### **Board of Directors Attendance**

The Board's decisions during the year ended May 31, 2012 were passed by way of written resolution following informal discussions among the directors and management. There were also a number of informal meetings of the Board.

#### **Orientation and Continuing Education**

Given the Company's size and stage of development, the Company has not yet developed an official orientation or training program for new directors. The Board of Directors of the Company undertakes to brief all new directors with the policies of the Board of Directors, and other relevant corporate and business information. The current directors of the Company, who are experienced in corporate governance and have a good understanding of the Company's business, are also available to any new directors to provide information regarding the Company's business.

### **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.

Under the applicable corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and to disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the corporation. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the Company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the Company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the Company and the contract or transaction be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

### **Nomination of Directors**

The Board of Directors does not have a formal process for identifying new candidates for Board nomination. The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The Board of Directors conducts reviews with regard to directors' compensation once a year. To make its recommendation on directors' compensation, the Board of Directors takes into account the types of compensation and the amounts paid to directors of comparable publicly traded Canadian companies and aligns the interests of directors with the return to shareholders.

The Board of Directors decides the compensation of the Company's officers, based on industry standards and the Company's financial situation.

### **Other Board Committees**

The Board of Directors has no committees other than the Audit Committee.

### **Assessments**

The Board of Directors monitors but does not formally assess the adequacy of information given to directors, communication between the board and management and the strategic direction and processes of the board and committees.

## AUDIT COMMITTEE

The mandate and charter of the Company's audit committee (the "Audit Committee") can be described as follows:

1. Each member of the Audit Committee shall be a member of the Board of Directors, in good standing, and the majority of the members of the audit committee shall be independent in order to serve on this committee.
2. At least one of the members of the Audit Committee shall be financially literate.
3. Review the Committee's charter annually, reassess the adequacy of this charter, and recommend any proposed changes to the Board of Directors. Consider changes that are necessary as a result of new laws or regulations.
4. The Audit Committee shall meet at least four times per year, and each time the Company proposes to issue a press release with its quarterly or annual earnings information. These meetings may be combined with regularly scheduled meetings, or more frequently as circumstances may require. The Audit Committee may ask members of the Management or others to attend the meetings and provide pertinent information as necessary.
5. Conduct executive sessions with the outside auditors, outside counsel, and anyone else as desired by the Committee.
6. The Audit Committee shall be authorized to hire outside counsel or other consultants as necessary (this may take place any time during the year).
7. Approve any non-audit services provided by the independent auditors, including tax services. Review and evaluate the performance of the independent auditors and review with the full Board of Directors any proposed discharge of the independent auditors.
8. Review with the Management the policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent auditor.
9. Consider, with the Management, the rationale for employing accounting firms rather than the principal independent auditors.
10. Inquire of the Management and the independent auditors about significant risks or exposures facing the Company; assess the steps that Management has taken or proposes to take to minimize such risks to the Company; and periodically review compliance with such steps.
11. Review with the independent auditor, the audit scope and plan of the independent auditors. Address the coordination of the audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources.
12. Inquire regarding the "quality of earnings" of the Company from a subjective as well as an objective standpoint.
13. Review with the independent accountants: (a) the adequacy of the Company's internal controls including computerized information systems controls and security; and (b) any related significant findings and recommendations of the independent auditors together with the Management's responses thereto.

14. Review with the Management and the independent auditor the effect of any regulatory and accounting initiatives, as well as off-balance-sheet structures, if any.
15. Review with the Management, the independent auditors, the interim annual financial report before it is filed with the regulatory authorities.
16. Review with the independent auditor that performs an audit: (a) all critical accounting policies and practices used by the Company; and (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Management of the Company, the ramifications of each alternative and the treatment preferred by the Company.
17. Review all material written communications between the independent auditors and the Management.
18. Review with the Management and the independent auditors: (a) the Company's annual financial statements and related footnotes; (b) the independent auditors' audit of the financial statements and their report thereon; (c) the independent auditor's judgments about the quality, not just the acceptability, of the Company's accounting principles as applied in its financial reporting; (d) any significant changes required in the independent auditors' audit plan; and (e) any serious difficulties or disputes with the Management encountered during the audit.
19. Periodically review the Company's code of conduct to ensure that it is adequate and up-to-date.
20. Review the procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters that may be submitted by any party internal or external to the organization. Review any complaints that might have been received, current status, and resolution if one has been reached.
21. Review procedures for the confidential, anonymous submission by employees of the organization of concerns regarding questionable accounting or auditing matters. Review any submissions that have been received, the current status, and resolution if one has been reached.
22. The Audit Committee will perform such other functions as assigned by law, the Company's articles, or the Board of Directors.

#### **Composition of the Audit Committee**

The members of the Audit Committee are Gordon R. Osinchuk, Michael R. Dake and William C. Pettigrew. Michael R. Dake and William C. Pettigrew are independent as that term is defined in NI 52-110. All members of the Audit Committee are "financially literate" as that term is defined in NI 52-110.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

#### **Relevant Education and Experience**

All of the members of the Audit Committee have gained their education and experience by participating in the management of private and publicly traded companies and all members are "financially literate" as defined in NI 52-110, meaning that they have 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 reasonably be expected to be raised by the Company's financial statements.

#### **Audit Committee Oversight**

At no time since inception was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

**Reliance on Certain Exemptions**

At no time since inception 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 of Policies and Procedures**

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

**External Auditor Service Fees**

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Charlton & Company, Chartered Accountants, of Burnaby, British Columbia to the Company to ensure auditor independence. Fees incurred with Charlton & Company for audit and non-audit services in the last fiscal year as well as for the fiscal year ended May 31, 2012 are outlined in the following table.

<b>Nature of Services</b>	<b>Fees Paid to Auditor in Fiscal Year ended May 31, 2012</b>	<b>Fees Paid to Auditor in Fiscal Year ended May 31, 2011</b>
Audit Fees <sup>(1)</sup>	\$11,000	\$10,250
Audit-Related Fees <sup>(2)</sup>	Nil	Nil
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>\$11,000</b>	<b>\$10,250</b>

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include fees for services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

**Exemption**

The Company is relying upon the exemption in section 6.1 of NI 52-110 in respect of the composition of its Audit Committee and in respect of its reporting obligations under NI 52-110.

**PARTICULARS OF MATTERS TO BE ACTED UPON**

**Election of Directors**

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 appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at four (4).

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

<b>Name, jurisdiction of residence and position</b>	<b>Previous service as a director</b>	<b>Principal Occupation or employment and, if not previously elected Director, occupation during the past 5 years</b>	<b>Number of Shares beneficially owned, controlled or directed (directly/indirectly)<sup>(2)</sup></b>
<b>Gordon R. Osinchuk</b> <sup>(1)</sup> President, CEO, and Director <i>North Vancouver, Canada</i>	April 17, 2008	Independent property consultant from January 2003 to September 2006. President and CEO of Company from April 2008 to present.	1,205,000 <sup>(3)</sup>
<b>Michael R. Dake</b> <sup>(1)</sup> Director <i>Vancouver, Canada</i>	April 17, 2008	Director, Britannica Resource Corp. and Taipan Resources Inc. since Aug 2011; President, CEO, Director and Corporate Secretary, Cricket Resources Inc. since June 2011. Formerly, Investor Relations Consultant for Westminster Resources from March 2009 to February 2010; Investor Relations Consultant for AMI Resources Inc. from April 2007 to March 2009; Investor Relations Consultant for Tyner Resources from January 2003 to April 2007.	132,000 <sup>(4)</sup>
<b>William C. Pettigrew</b> <sup>(1)</sup> Director <i>Vancouver, Canada</i>	May 13, 2010	Director and CFO of AMI Resources Inc. from December 1994 to present; Director and CFO of Midasco Capital Corp. from June 2002 to present; Director of Bonaparte Capital Corp. from August 2007 to present; Director of Production Enhancement Group from August 2008 to May 2009.	Nil
<b>Melvin P. Dickson</b> Director <i>Vancouver, Canada</i>	May 1, 2012	Professional engineer and self-employed consultant since June 1996.	Nil

(1) Members of the Audit Committee.

(2) Shares beneficially owned, controlled or directed, directly or indirectly, as at November 13, 2012, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such Shares are held directly.

(3) Of these shares, 330,000 are held in escrow pursuant to National Policy 46-201.

(4) Of these shares, 39,600 are held in escrow pursuant to National Policy 46-201.

#### *Conflicts of Interest*

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as directors or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and/or on behalf of other companies, and situations may arise

where the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the *Business Corporations Act* (British Columbia).

#### **Appointment and Remuneration of Auditor**

Charlton & Company, Chartered Accountants, of Burnaby, British Columbia are the Company's auditors and were first appointed as the Company's auditors on March 15, 2010.

The directors of the Company recommend the re-appointment of Charlton & Company, Chartered Accountants, as auditors of the Company to hold office until the termination of the next annual meeting of the Company. It is proposed that remuneration to be paid to the auditors be determined by the directors of the Company.

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted in favour of the re-appointment of Charlton & Company, Chartered Accountants, as auditors of the Company to hold office until the close of the next annual meeting of the Company, at a remuneration to be determined by the Board.

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

The Company implemented a Rolling Stock Option Plan (the "Plan") on May 27, 2010 which requires the approval of Company shareholders at the Annual General and Special Meeting. The number of common shares which may be issued under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis. No more than 2% of the issued shares of the Company may be issued to any one Consultant in any 12 month period. No more than 1% of the issued shares of the Company may be issued to all Employees or Consultants in the aggregate conducting investor relations activities (as defined in the policies of the CNSX) in any 12 month period.

A copy of the full text of the Plan is available for inspection at the office of the Corporate Secretary, Suite 202, 750 West Pender Street, Vancouver, BC V6C 2T7 (Tel: 604-608-1118) during regular business hours prior to the date of the Meeting, and at the Meeting itself.

The following ordinary resolution will be proposed at the meeting:

*"RESOLVED THAT the Company's Stock Option Plan pursuant to which the Directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company, to a maximum of 10% of the issued and outstanding common shares at the time of the grant, be and it is hereby, approved."*

#### **OTHER MATTERS**

Management knows of no matters to come before the meeting other than as set forth in the Notice of Meeting and this Information Circular. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy, exercising discretionary authority.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information relating to the Company is provided in the Company's financial statements and management discussion and analysis ("MD&A") for the financial year ended May 31, 2012 which are filed on [www.sedar.com](http://www.sedar.com). Shareholders may request copies of financial statements and MD&A by contacting the Company's Corporate Secretary at Suite 202, 750 West Pender Street, Vancouver, BC V6C 2T7, Tel: 604.608.1118, Fax: 604.637.5624 or by email at [dianne@publico.ca](mailto:dianne@publico.ca).

Dated this 13<sup>th</sup> day of November, 2012.

### **APPROVED BY THE BOARD OF DIRECTORS**

*"Gordon Osinchuk"*

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**Gordon R. Osinchuk, President & CEO**