SAMARANTA MINING CORPORATION
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INFORMATION CIRCULAR

as at **September 10, 2012** (except as indicated)

This information circular ("**Information Circular**") is provided in connection with the solicitation of proxies by the management of **Samaranta Mining Corporation** (the "**Company**") for use at the Annual General & Special Meeting of the shareholders of the Company (the "**Meeting**") to be held on **October 15, 2012,** at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9 at 1:00 p.m. (Vancouver Time) and at any adjournments thereof for the purpose set forth in the enclosed Notice of Annual General & Special Meeting ("**Notice of Meeting**").

The solicitation of proxies is intended to be primarily by mail but may also be made by telephone or other electronic means of communication or in person by the directors and officers of the Company. The cost of such solicitation will be borne by the Company.

DISTRIBUTION OF MEETINGS MATERIALS

This Information Circular and related Meeting materials are being sent to both registered and non-registered holders of common shares of the Company.

If you are a non-registered holder 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.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the appropriate voting information form.

A shareholder may receive multiple packages of Meeting materials if the shareholder holds common shares through more than one intermediary (an "**Intermediary**"), or if the shareholder is both a registered shareholder and a non-registered shareholder for different shareholdings. Any such shareholder should repeat the steps to vote through a proxy, appoint a proxyholder or attend the Meeting, if desired, separately for each shareholding to ensure that all the common shares from the various shareholdings are represented and voted at the Meeting.

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S OR COMPANY'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING**

ANOTHER FORM OF PROXY. Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder's shares are to be voted. In any case, the form of proxy should be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a company, under its corporate seal, or by an officer or attorney thereof duly authorized.

A proxy will not be valid for the Meeting or any adjournment thereof unless the completed, signed and dated form of proxy is delivered to the office of Computershare Investor Services Inc. by mail or by hand at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting.

REVOCATION OF PROXIES

A proxy may be revoked at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it, any time before it is exercised, by instrument in writing executed by the shareholder or by his or her attorney authorized in writing and deposited with Computershare Investor Services Inc. by mail or by hand at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting. Where a proxy has been revoked, the shareholder may personally attend at the Meeting and vote his or her shares as if no proxy had been given.

VOTING OF PROXIES

The persons named in the enclosed form of proxy have indicated their willingness to represent, as proxyholders, the shareholders who appoint them. Each shareholder may instruct his or her proxyholder how to vote his or her shares by completing the blanks in the form of proxy.

Shares represented by properly executed proxy forms in favour of the persons designated on the enclosed proxy form will be voted or withheld from voting on any poll in accordance with instructions made on the proxy forms, and, if a shareholder specifies a choice as to any matters to be acted on, such shareholder's shares shall be voted accordingly. **In the absence of such instructions, the management designees, if named as proxy, will vote in favour of all matters set out thereon.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. At the time of printing this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

VOTING BY NON-REGISTERED SHAREHOLDERS

The information in this section is important to many shareholders as a substantial number of shareholders do not hold their shares in their own name.

Shareholders who hold shares through their brokers, intermediaries, trustees or other nominees (such shareholders being collectively called "**Beneficial Shareholders**") should note that only proxies

deposited by shareholders whose names appear on the share register of the Company may be recognized and acted upon at the Meeting. If shares are shown on an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases the name of such Beneficial Shareholder **will not** appear on the share register of the Company. Such shares will most likely be registered in the name of the broker or an agent of the broker. In Canada, the vast majority of such shares will be registered in the name of "CDS & Co.", the registration name of The Canadian Depository for Securities Limited, which acts as a nominee for many brokerage firms. Such shares can only be voted by brokers, agents, or nominees and can only be voted by them in accordance with instructions received from Beneficial Shareholders. **As a result, Beneficial Shareholders should carefully review the voting instructions provided by their broker, agent or nominee with this Information Circular and ensure that they direct the voting of their shares in accordance with those instructions.**

Applicable regulatory policies require brokers and intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Each broker or intermediary has its own mailing procedures and provides its own return instructions to clients. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by such shareholder's broker, agent, or nominee is limited to instructing the registered holder of the relevant shares on how to vote such shares on behalf of the Beneficial Shareholder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of shares at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted**.

RECORD DATE

The Company has set the close of business on **September 10, 2012,** as the record date (the "**Record Date**") for the Meeting. Only common shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholders transfer shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established ownership of such shares, requests not later than 10 days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee will be entitled to vote such shares at the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular and except for the fact that certain directors and officers of the Company may have been granted stock options, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of the Company, any nominee for election as a director of the Company or any associate or affiliate of any such person, in any matter to be acted upon at the Meeting other than the election of directors (see Item 5 below).

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The holders of the Company's common shares of record on the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held. The Company is authorized to issue an unlimited number of common shares without par value of which 36,872,147 shares are issued and outstanding as at the Record Date. The Company has no other class of voting securities.

A quorum for the transaction of business at the Meeting is "two persons who are, or who represent by proxy, shareholders who are entitled to vote at the meeting".

To the knowledge of the Directors and executive officers of the Company, and based on the Company's review of the records maintained by Computershare Investor Services Inc., electronic filings with the System for Electronic Document Analysis and Retrieval (SEDAR) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), the following shareholder beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the voting rights attached to all outstanding shares of the Company:

Shareholder Name And Address	**Number Of Shares Held**	**Percentage Of Issued Shares**
CDS & Co.[(1)] 25 The Esplanade PO Box 1038, STN A Toronto, ON M5W 1G5	32,959,419	91.43%

Notes:
(1) CDS is a clearing agency.
(2) The information as to the shares beneficially owned by CDS is not within the knowledge of the Company and has been extracted from the register of shareholders maintained by the registrar and transfer agent for the Company's shares.

EXECUTIVE COMPENSATION

In this Information Circular:

Chief Executive Officer ("**CEO**") means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Chief Financial Officer ("**CFO**") means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Named Executive Officer ("**NEO**") means each of the following individuals:

(a) a CEO;

(b) a CFO;

(c) each of the 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 whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – S*tatement of Executive Compensation*, for that financial year; and

(d) each individual who would be an 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 that financial year.

"**option-based award**" 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.

"**share-based award**" 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.

Objective

The following disclosure of all direct and indirect compensation provided to certain executive officers and directors for, or in connection with, services they have provided to the Company, or a subsidiary of the Company, is being made in accordance with Form 51-102F6 – S*tatement of Executive Compensation*.

The objective of this disclosure is to communicate the compensation the board of directors of the Company (the "**Board**") intended the Company to pay, make payable, award, grant, give or otherwise provide to each NEO and director for the financial year. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Compensation Discussion and Analysis

Remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Company's management team. The main objectives the Company hopes to achieve through its compensation are:

- to attract and retain executives critical to the Company's success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value;
- to motivate the Company's management team to meet or exceed targets;
- to recognize the contribution of the Company's executive officers to the overall success and strategic growth of the Company; and
- to align the interests of management and the Company's shareholders by providing performance-based compensation in addition to salary.

The Company is the resulting issuer from the amalgamation on May 20, 2011 (the "**Amalgamation Date**") of Legion Resources Corp. ("**Legion**")(a reporting company listed on the TSX Venture Exchange ("**TSX-V**")) and Samaranta Mining Corporation ("**SMC**")(a private non-reporting company).

The executive compensation disclosure herein relates to those individuals who were NEOs of the Company from the Amalgamation Date until the Company's financial year end date of December 31, 2011.

During such period, the Company had two NEOs: Volkmar Hable (President and CEO of the Company) and Sharon Muzzin (CFO of the Company). The Company paid the following compensation to its NEOs for the period from the Amalgamation Date to December 31, 2011:

(a) A total of $96,000 was paid to Volkmar Hable, the former President and CEO of the Company, pursuant to the terms of his employment agreement with the Company and with respect to Dr. Hable's position as the President and CEO of the Company. See "*Summary Compensation Table - Narrative Discussion*" for details of the terms of Dr. Hable's employment agreement.

(b) A total of $46,620 was paid to Malaspina Consultants Inc., a company through which Sharon Muzzin, the CFO of the Company, is engaged and compensated, with respect to her position as the CFO of the Company.

The amounts paid to the Company's NEOs were determined by the Board. The Board determines the appropriate level of compensation reflecting the need to provide incentive and compensation for the time and effort expended by the executives, while taking into account the financial and other resources of the Company.

Option Based Awards

Pursuant to the Company's stock option plan, the Board grants options to directors, executive officers, other employees and consultants as incentives. The level of stock options awarded to a NEO is determined by their positions and potential future contributions to the Company.

The Company issued an aggregate of 1,125,000 stock options to NEOs during the period from the Amalgamation Date to December 31, 2011. See *Summary Compensation Table* below for details.

Summary Compensation Table

The following table sets out certain information respecting the compensation paid to the NEOs of the Company for the period from the Amalgamation Date to December 31, 2011. Information as to compensation paid to NEOs of Legion for the financial years ended December 31, 2009 and 2010 are noted in a separate table below.

NEO Name and Principal Position	Year Ended Dec 31[(1)]	Salary ($)	Share-based awards ($)	Option-based awards[(5)] ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long-term Incentive Plans			
Volkmar Hable[(2)] Former President & CEO; Current Executive VP of Mining & Exploration	2011	96,000	Nil	270,039	Nil	Nil	Nil	Nil	366,039
Sharon Muzzin[(3)] CFO	2011	46,620[(4)]	Nil	33,755	Nil	Nil	Nil	Nil	80,375

Notes:

(1) Represents the period from the Amalgamation Date (May 20, 2011) until December 31, 2011.

(2) Dr. Hable was appointed as the President and CEO of the Company on May 20, 2011. Dr. Hable resigned as the President and CEO of the Company on July 16, 2012, and was appointed as the Executive Vice President of Mining and Exploration on July 16, 2012.

(3) Ms. Muzzin was appointed as the CFO of the Company on May 20, 2011.

(4) Ms. Muzzin is engaged for her services as CFO of the Company through Malaspina Consultants Inc. (a company of which Mr. Robert McMorran, a director of the Company, is the sole voting shareholder and sole director).

(5) Calculated using the Black-Scholes model.

The following table sets forth the compensation paid to the NEOs of Legion for financial years ended December 31, 2009 and 2010.

NEO Name and Principal Position[1]	Year Ended Dec 31[1]	Salary ($)	Share-based awards ($)	Option-based awards[2] ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long-term Incentive Plans			
Jonathan Samuda CEO	2010 2009	Nil N/A	Nil N/A	10,992 N/A	Nil N/A	Nil N/A	Nil N/A	8,500 N/A	19,492 N/A
Sharon Muzzin CFO	2010 2009	Nil N/A	Nil N/A	5,100 N/A	Nil N/A	Nil N/A	Nil N/A	Nil N/A	5,100 N/A
Sandra Wong Former CFO	2010 2009	Nil 20,432	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil 256	Nil 20,688

Notes:
(1) Each of the individuals was an NEO of Legion until Legion's amalgamation with SMC on May 20, 2011.
(2) Calculated using the Black-Scholes model.

Narrative Discussion

(Amended) Engagement Agreement– Volkmar Hable

Dr. Volkmar Hable was appointed President of SMC on January 27, 2010. Dr. Hable entered into an engagement agreement with SMC on January 1, 2010 (the "**Hable Agreement**") with respect to his position as President of SMC. The Hable Agreement continued in force and effect on the amalgamation of SMC and Legion. Pursuant to the terms of the Hable Agreement, Dr. Hable received a consulting fee of $8,000 per month, subject to increase per year based, among other things, on cost of living expenses published by the Bank of Canada. In addition, Dr. Hable was entitled to receive an incentive bonus and incentive stock options, as determined by the Board from time to time. All reasonable documented expenses incurred by Dr. Hable in connection with his duties were also reimbursed by Samaranta.

The Hable Agreement was amended on July 16, 2012 (the "**Amended Hable Agreement**"). Under the Amended Hable Agreement, Dr. Hable is entitled to a consulting fee of $8,380 per month plus applicable GST/HST, subject to increase per year based, among other things, on cost of living expenses published by the Bank of Canada. In addition, Dr. Hable is entitled to receive a performance bonus of up to $100,000 per year, subject to the achievement of certain performance goals as determined by the Board, and is entitled to incentive stock options, as determined by the Board from time to time. All reasonable documented expenses incurred by Dr. Hable in connection with his duties are also reimbursed by the Company. In addition to all other compensation payable under the Amended Hable Agreement, in the event that the Company acquires the tailing project in Segovia, Dr. Hable becomes entitled to a one-time cash bonus of $75,000 (the "**Segovia Bonus**") if the Company completes a financing for gross proceeds of up to $800,000 to advance the Segovia project. If the Company completes the financing in separate tranches, then the Segovia Bonus is payable pro rata the gross proceeds raised in that tranche.

The term of the Amended Hable Agreement is for an initial period ending December 31, 2013, with automatic renewals for consecutive periods of one year unless the Company or Dr. Hable gives the other party written notice of non-renewal at least 30 days prior to expiration of the agreement.

The Company may, at any time, terminate the Amended Hable Agreement for cause, without notice and without liability for any claim, action or demand. Dr. Hable may terminate the Amended Hable Agreement at any time by providing written notice to the Company in which case any compensation or bonus to which Dr. Hable would have been entitled or becomes entitled to shall cease on the date of termination. The Company may also terminate the Amended Hable Agreement by paying to Dr. Hable a lump sum amount equal to the lesser of (i) one year's consulting fees; or (ii) consulting fees for the remaining term of engagement under the Amended Hable Agreement; plus any bonus and unpaid expenses due to him at the time of termination.

JV Engagement Agreement – Volkmar Hable

Effective July 16, 2012, the Company and Dr. Hable also entered into a JV engagement agreement (the "**JV Engagement Agreement**").

Under the JV Engagement Agreement, Dr. Hable is entitled to receive an aggregate of $10,000 per month (plus applicable GST/HST), less any other compensation being paid to Dr. Hable (for clarity, during such time as the Amended Hable Agreement is in place, Dr. Hable is entitled to receive an additional $1,620 per month. At such time as the Amended Hable Agreement is terminated, and subject to the JV Engagement Agreement being in effect, Dr. Hable will receive $10,000 per month under the JV Engagement Agreement). Dr. Hable is also entitled to receive a bonus and incentive stock options at the discretion of the Board.

The term of the JV Engagement Agreement is for an initial period of four years, with automatic renewals for consecutive periods of one year unless the Company or Dr. Hable gives the other party written notice of non-renewal at least 30 days prior to expiration of the agreement.

The Company may, at any time, terminate the JV Engagement Agreement for cause, without notice and without liability for any claim, action or demand. Dr. Hable may terminate the JV Engagement Agreement at any time by providing written notice to the Company in which case any compensation or bonus to which Dr. Hable would have been entitled or becomes entitled to shall cease on the date of termination. The Company may also terminate the JV Engagement Agreement by paying to Dr. Hable a lump sum amount equal to the lesser of (i) one year's consulting fees; or (ii) consulting fees for the remaining term of engagement under the Amended Hable Agreement; less any other severance payments or termination fees paid by the Company to Dr. Hable for any reason whatsoever, including pursuant to the terms of the Amended Hable Agreement, plus any bonus and unpaid expenses due to him at the time of termination.

Incentive Plan Awards

Outstanding share-based and option-based awards

The following table summarizes all share-based and option-based awards outstanding for each of the Company's NEOs as at December 31, 2011.

	Option-based Awards				Share-based Awards	
Name **(a)**	**Number of securities underlying unexercised options (#)** **(b)**	**Option exercise price ($)** **(c)**	**Option expiration date** **(d)**	**Value of unexercised in-the-money options[1] ($)** **(e)**	**Number of shares or units of shares that have not vested (#)** **(f)**	**Market or payout value of share-based awards that have not vested ($)** **(g)**
Volkmar Hable	1,000,000[2]	$0.35	May 20, 2016	Nil	N/A	N/A
Sharon Muzzin	25,000 125,000	$0.60 $0.35	June 29, 2015 May 20, 2016	Nil	N/A	N/A

Notes:

(1) Calculated using the closing price of the Company's common shares on the TSX-V on December 31, 2011 of $0.115 and subtracting the exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's common shares on the date of exercise.

(2) Issued to Hable Investment Management Societe Par Actions de Regime Federal, a private company wholly-owned by Dr. Hable.

Incentive Plan awards – Value Vested or Earned During the Year

The following table provides the value of awards vested or earned by the Company's NEO during the period from the Amalgamation Date to December 31, 2011.

Name **(a)**	**Option-based awards – Value vested during the year[1] ($)** **(b)**	**Share-based awards – Value vested during the year ($)** **(c)**	**Non-equity incentive plan compensation – Value earned during the year ($)** **(d)**
Volkmar Hable	$50,000	N/A	N/A
Sharon Muzzin	$6,250	N/A	N/A

Notes:

(1) Determined based on the difference between the market price of the common shares on the date of grant ($0.40) and the exercise price of the options ($0.35).

Pension Plan Benefits

As at the year ended December 31, 2011, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

Termination and Change of Control Benefits

As at the year ended December 31, 2011, the Company did not have any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEOs responsibilities, except as disclosed above under "*Engagement Agreement – Volkmar Hable*" and "*JV Engagement Agreement – Volkmar Hable*".

Director Compensation

The following table sets forth a summary of compensation earned by the Company's directors for the period from the Amalgamation Date to December 31, 2011.

Director Name[1]	Fees earned ($)	Share-based awards ($)	Option-based awards[2] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All Other Compensation ($)	Total Compensation ($)
Robert McMorran	Nil	Nil	202,529[3]	Nil	Nil	$103,507[4]	$306,036
Gunther Roehlig[5]	Nil	Nil	47,257	Nil	Nil	Nil	47,257
James Walchuck	Nil	Nil	108,016	Nil	Nil	Nil	108,016

Notes:

(1) Please see "*Summary Compensation Table*" under "*Executive Compensation*" above for details of compensation paid by the Company to those directors who are also NEOs.

(2) Calculated using the Black-Scholes model.

(3) Issued in the name of Malaspina Consultants Inc., a company of which Mr. McMorran is the sole voting shareholder and sole director.

(4) Paid to Malaspina Consultants Inc., a company of which Mr. McMorran is the sole voting shareholder and sole director, for providing the Company with the services of Ms. Muzzin as CFO (see "*Summary – Compensation Table*" above) and accounting support staff.

(5) Mr. Roehlig was appointed as the interim President and CEO of the Company on July 16, 2012.

Narrative Discussion

No compensation was paid to the non-executive directors of the Company for the Company's most recently completed financial year in their role as directors of the Company.

The Company has no 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 consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company grants stock options to directors pursuant to the terms of the Company's Stock Option Plan (see "*Description of Stock Option Plan*" below for details). The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to align the personal interests of such persons to that of the Company's shareholders.

INCENTIVE PLAN AWARDS

Outstanding share-based Awards and option-based Awards

The following table provides the share-based and option-based awards outstanding to the non-executive directors of the Company as at the financial year ended December 31, 2011.

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[1] ($)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Robert McMorran	56,250 750,000[2]	$0.60 $0.35	May 13, 2015 May 20, 2016	Nil	N/A	N/A
Gunther Roehlig	56,250 175,000	$0.60 $0.35	May 13, 2015 May 20, 2016	Nil	N/A	N/A
James Walchuck	400,000	$0.35	May 20, 2016	Nil	N/A	N/A

Notes:

(1) Calculated using the closing price of the Company's common shares on the TSX-V on December 31, 2011 of $0.115 and subtracting the

exercise price of in-the-money stock options. These stock options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Company's common shares on the date of exercise.

(2) Issued in the name of Malaspina Consultants Inc., a company of which Mr. McMorran is the sole voting shareholder and sole director.

Incentive Plan awards – Value Vested or Earned During the Year

The following table provides the value of awards vested or earned by the directors of the Company during the financial year ended December 31, 2011.

Name (a)	Option-based awards – Value vested during the year[1] ($) (b)	Share-based awards – Value vested during the year ($) (c)	Non-equity incentive plan compensation – Value earned during the year ($) (d)
Robert McMorran	$37,500	N/A	N/A
Gunther Roehlig	$8,750	N/A	N/A
James Walchuck	$20,000	N/A	N/A

Notes:

(1) Determined based on the difference between the market price of the common shares on the date of grant ($0.40) and the exercise price of the options ($0.35).

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

During fiscal 2011, the Company maintained a 10% rolling stock option plan (the "**Stock Option Plan**"). The Stock Option Plan was the incentive stock option plan for Legion at the time of completion of the amalgamation between Legion and SMC, and was adopted by the Company as its incentive stock option plan.

Pursuant to the Stock Option Plan, the Directors, or a committee of Directors appointed by the Board, granted to Directors, officers, employees, management company employees and consultants of the Company options to purchase common shares.

The Stock Option Plan was the only equity compensation plan of the Company for fiscal 2011. The following table sets forth information with respect to the options outstanding under the Stock Option Plan as at the year ended December 31, 2011.

Plan Category	Number of common shares to be issued upon exercise of outstanding options (a)	Weighted average exercise price of outstanding options (b)	Number of common shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity Compensation Plans approved by Shareholders	3,147,500	$0.38	539,714
Equity Compensation Plans not approved by Shareholders	Nil	N/A	Nil
TOTAL:	**3,147,500**	**$0.38**	**539,714**

Description of the Stock Option Plan

Following is a summary of the substantive terms of the Stock Option Plan.

Under the Stock Option Plan, the aggregate number of optioned shares that may be issued may not exceed 10% of the number of issued and outstanding common shares of the Company at the time of granting of options.

The Board has the discretion to grant options pursuant to the terms of the Stock Option Plan. Options may be granted to eligible persons, being: directors, officers, employees, management company employees or consultants. The key terms of the Stock Option Plan are as follows (capitalized terms have the meaning ascribed to them in the policies of the TSX-V):

(a) no more than 5% of the common shares outstanding at the time of grant may be reserved for issuance to any one individual in any 12 month period;

(b) no more than 2% of the common shares outstanding at the time of grant may be reserved for issuance to any Consultant in any 12 month period;

(c) no more than an aggregate of 2% of the common shares outstanding at the time of grant may be reserved for issuance to any Employee conducting Investor Relations Activities in any 12 month period;

(d) options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such options vesting in any 3 month period;

(e) the number of common shares that may be reserved for issuance to the insiders of the Company (i) at the time of grant or (ii) within a one year period may not exceed 10% of the outstanding common shares calculated at the time of the grant, unless disinterested shareholder approval has been obtained;

(f) the minimum exercise price of a stock option cannot be less than the Market Price of the common shares;

(g) disinterested shareholder approval must be obtained to reduce the exercise price of an option granted to a person who was an insider at the time of grant or is an insider at the time of amendment;

(h) options may have a maximum exercise period of ten years;

(i) options are non-assignable and non-transferable; and

(j) the Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the common shares.

Options will expire immediately upon the optionee leaving his or her employment/office except that:

(a) in the case of death of an optionee, any vested options held by the deceased at the date of death will become exercisable by the optionee's estate until the earlier of one year after the date of death and the date of expiration of the term otherwise applicable to such option;

(b) options granted to a person conducting investor relations activities terminate 30 days after the date such person ceases to conduct such activities, but only to the extent that such options were vested in the optionee at the date the optionee ceased to conduct such activities;

(c) options granted to an optionee other than one conducting investor relations activities terminates 90 days after the optionee ceases to be employed/provide services but only to the extent that such options were vested in the optionee at the date the optionee ceased to be employed/ provide services; and

(d) in the case of an optionee dismissed from employment/service for cause, or where an optionee terminates his/her/its relationship with the Company without giving at least 30 days' written notice to the Company, such options, whether vested or not, will immediately terminate without right to exercise same.

At the Meeting, management will be presenting a new form of stock option plan to the shareholders for approval. Refer to "*Particulars of Matters to be Acted Upon – 6. Approval of 2012 Stock Option Plan*" for further details.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

There is no indebtedness of any: (a) director; (b) executive officer; (d) proposed nominee for election as a director; (e) associate of a director, executive officer or proposed nominee for election as a director; (f) employee or (g) former director, executive officer or employee of the Company, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the informed persons of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transactions since the commencement of the Company's last completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries, except as disclosed herein.

Applicable securities legislation defines "**informed person**" to mean any of the following: (a) a director or executive officer of a reporting issuer; (b) a director or officer of a person or company that is itself an informed person or subsidiary of a reporting issuer; (c) any person or company who beneficially owns, directly or indirectly, voting securities of a reporting issuer or who exercises control or direction over voting securities of a reporting issuer or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the reporting issuer other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) a reporting issuer that

has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

MANAGEMENT CONTRACTS

During year ended December 31, 2011, no management functions of the Company were to any substantial degree performed by a person other than the directors or executive officers of the Company.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to 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 both in the interest of its shareholders and contribute to effective and efficient decision making. The Company's general approach to corporate governance is summarized below.

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that each reporting company disclose its corporate governance practices on an annual basis. The Company's approach to corporate governance is set forth below.

Board of Directors

Independence

Section 1.4 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") sets out the standard for director independence. Under NI 52-110, a director is independent if he has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, James Walchuck is currently the only independent member of the Board. Volkmar Hable, Gunther Roehlig and Rob McMorran are not independent (Dr. Hable was the President and CEO of the Company, Mr. Roehlig is the interim President and CEO of the Company and Mr. McMorran's private company, Malaspina Consultants Inc., receives fees for providing the Company with the services of the CFO and accounting support staff).

In order to facilitate its exercise of independent judgment in carrying out the responsibilities of the Board, the Board endeavors to have the independent Director in attendance at all Board meetings.

Other Directorships

The following directors of the Company also serve as directors for the following reporting issuers or reporting issuer equivalents:

Name of Director	Reporting Issuer(s) or Equivalent(s)
Robert McMorran	BRS Ventures Ltd. (TSX-V)
	Encanto Potash Corp.(TSX-V)
	Digifonica International Inc. (TSX-V)
	Archer Petroleum Corp. (TSX-V)
	Brea Resources Corp. (TSX-V)
	Inca One Resources Corp. (TSX-V)
	Citation Resources Inc. (TSX-V)
Gunther Roehlig	Inca One Resources Corp. (TSX-V)
	Digifonica International Inc. (TSX-V)
	Brea Resources Corp. (TSX-V)
	Neodym Technologies Inc. (TSX-V)
James Walchuck	Encanto Potash Corp. (TSX-V)
	Novus Gold Corp. (TSX-V)
	Tanzania Minerals Corp. (TSX-V)

Orientation and Continuing Education

The Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors is conducted on an *ad hoc* basis.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at the Board meetings. Directors are also provided the opportunity to meet with senior management and other employees, advisors and directors, who can answer any questions that may arise.

Ethical Business Conduct

The Company has adopted a code of business conduct and ethics (the "**Code of Ethics**") which defines certain fundamental principles, policies and procedures that govern the directors, officers, employees, advisors and consultants of the Company. The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and to the highest standard of business ethics. A copy of the Code of Ethics is provided to all individuals associated with the Company, including outside contractors.

The Code of Ethics establishes a level of awareness and expectations in certain areas of behaviour including conflicts of interest, legal compliance, financial reporting, records, Company assets, workplace environment and health and safety.

In addition to the Code of Ethics, the Company has also adopted a whistleblower policy (the "**Whistleblower Policy**") with regard to the reporting of Code of Ethics violations.

Copies of the Code of Ethics and Whistleblower Policy are available on the Company's website at www.samaranta.ca and are filed on SEDAR at www.sedar.com or can be obtained by contacting the Company directly.

Nomination of Directors

The Board does not have a nominations committee or a formal procedure with respect to the nomination of directors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members.

Compensation of CEO

The Board does not currently have a compensation committee or a formal procedure with respect to determining compensation for the Directors and the CEO. NEO compensation is approved by the independent members of the Board.

Audit Committee

The Company's audit committee (the "**Audit Committee**") is comprised of Robert McMorran (Chairman), Gunther Roehlig and James Walchuck, who are financially literate in accordance with national securities legislation.

Applying the definition set out in section 1.4 of NI 52-110, James Walchuck is currently the only independent member of the Audit Committee . Robert McMorran is not independent by virtue of the fact that his private company, Malaspina Consultants Inc. receives fees for providing the Company with the services of the CFO and accounting support staff. Gunther Roehlig is not independent by virtue of the fact that he is the interim President and CEO of the Company.

Mr. McMorran is a chartered accountant and is the President of Malaspina Consultants Inc., a private company that provides accounting and administrative services to junior public companies. Mr. McMorran has over 25 years experience in dealing with financial reporting and the administration of public companies, the last 15 years through Malaspina. During this time, Mr. McMorran has served as an officer and/or director of several public companies, primarily involved in mineral exploration and development. He was CFO of the Canada Dominion Resources Group family of flow-through limited partnerships from 1998 to 2006. He is currently a director and/or officer of several junior public companies.

Gunther Roehlig has more than 15 years of experience in the financial and investment industry, with a successful track record in restructuring, managing and financing junior public companies. Most recently, Mr. Roehlig served as the President of Terra Ventures Inc. which held a 10% stake in the successful high grade Roughrider uranium discovery owned by Hathor Exploration Limited. In May 2011, Terra Ventures was acquired by Hathor Exploration, and Hathor Exploration was then subsequently acquired by one of the world's largest mining companies, Rio Tinto in late 2011. Currently, in addition to his Samaranta role, he is also the President and CEO of Digifonica International Inc. Fluent in English and German, Mr. Roehlig also has experience in European business and financial markets. He currently serves on the board of directors for a number of public junior resource companies including Digifonica International Inc., Brea Resources Corp., Inca One Resources Corp. and Neodym Technologies Inc.

Mr. Walchuck is a mining professional with more than 33 years of national and international experience in the mining industry, including work in North America, Slovakia, the UK, Ghana, and Tanzania. Mr. Walchuck is currently the President and CEO of Encanto Potash Corp. (TSXV: EPO). A member of the Professional Engineers of Ontario for 33 years, Mr. Walchuck holds Bachelor Degrees in both Science and Engineering.

The Audit Committee's mandate includes reviewing (i) the financial statements, reports and other financially-based information provided to shareholders, regulators and others; (ii) the internal controls that management and the Board have established; and (iii) the audit, accounting and financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of the external auditors; and provides an open avenue of communication between the external auditors, senior management and the Board.

A copy of the Audit Committee's Charter is attached hereto as Schedule "A".

Audit Fees

The Audit Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company in accordance with applicable law and policies and procedures to be approved by the Board. The engagement of non-audit services will be considered by the Board on a case by case basis.

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

The fees paid by the Company to its auditors for the financial year ended December 31, 2011, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2011	$36,750	Nil	Nil	$36,750

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.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Annual Report and Financial Statements

The Board has approved all of the information in the Annual Report of the Company, including the audited financial statements for the year ended December 31, 2011. Copies of the Annual Report, including the audited financial statements, have been sent to those shareholders who had requested receipt of same. Copies of these materials are available on SEDAR at www.sedar.com.

2. Ratification of Acts of Directors

Management of the Company intends to propose a resolution to ratify, confirm and approve all actions, deeds and conduct of the Directors on behalf of the Company since the date of the Company's formation on completion of its amalgamation.

3. Re-Appointment of Auditors

Shareholders will be asked to vote for approval of the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia, as auditors of the Company for the fiscal year ending December 31, 2012, at a remuneration to be fixed by the Directors.

PricewaterhouseCoopers LLP, Chartered Accountants, were appointed as the auditors of the Company effective May 20, 2011.

4. Set Number of Directors

Management of the Company intends to propose a resolution to set the number of Directors at four (4).

5. Election of Directors

It is proposed that the below-stated nominees be elected at the Meeting as directors of the Company for the ensuing year. The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote for the election of the nominees listed below to the Board. Each Director elected will hold office until the close of the next Annual General Meeting, or until his successor is duly elected or appointed, unless his office is earlier vacated.

Management of the Company does not contemplate that any of the nominees will be unable to serve as a Director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

The following table sets out the names of management's nominees for election as directors, all offices in the Company each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at September 10, 2012.

Name, Municipality of Residence and Position Held	Principal Occupation for the Past Five Years	Director of the Company Since	Number of Shares Beneficially Owned or Controlled[1]
GUNTHER ROEHLIG[2] Vancouver, BC *Interim President, CEO & Director*	President, Digifonica International Inc.	May 20, 2011	647,500
VOLKMAR HABLE Vancouver, BC *Executive Vice President of Mining & Exploration & Director*	Former President & CEO of the Company	May 20, 2011	200,000
ROBERT MCMORRAN[2] Vancouver, BC *Director*	Accountant, President of Malaspina Consultants Inc.	May 20, 2011	350,000
JAMES WALCHUCK[2] Vancouver, BC *Director*	Mining professional and professional engineer; President and CEO of Encanto Potash Corp.	May 20, 2011	Nil

Notes:
(1) This information has been furnished by the respective directors.
(2) Member of Audit Committee.

Except as disclosed below, to the knowledge of the Company, no proposed director:

(a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,

(i) 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

(ii) 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;

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the 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;

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;

(d) has been subject to 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

(e) has been subject to 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.

On December 3, 2008, Merit Mining Corp., a company from which Robert McMorran and James Walchuck had resigned their offices, but which they respectively had within the prior 12 months been the Chief Financial Officer and a director of, filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*. On April 14, 2009, unsecured creditors approved the Proposal and on May 6, 2009, the Supreme Court of British Columbia made an Order approving the Proposal.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.

6. Approval of Stock Option Plan

At the Meeting, management of the Company will ask the shareholders to re-approve the Company's current rolling 10% stock option plan as the incentive stock option plan for 2012 (the "**2012 Stock Option Plan**").

The 2012 Stock Option Plan will consist of shares of the Company's authorized but unissued common shares and will be limited to 10% of the issued common shares of the Company at the time of any granting of options (on a non-diluted basis). If any options granted expire or terminate for any reason without having been exercised in full, the unpurchased shares shall again be available under the 2012 Stock Option Plan. The terms of the 2012 Stock Option Plan which will be presented to shareholders at the Meeting for approval are substantially the same as the Stock Option Plan, which are summarized above under "*Securities Authorized for Issuance under Equity Compensation Plans*". A complete copy of the 2012 Stock Option Plan is attached hereto as Schedule "B".

The Company is asking shareholders to approve the following resolutions:

"RESOLVED that, subject to regulatory approval:

1. the Company's 2012 stock option plan (the *"***2012 Stock Option Plan***")* be and it is hereby adopted and approved;

2. the Board of Directors be authorized to grant options under and subject to the terms and conditions of the 2012 Stock Option Plan, which may be exercised to purchase up to 10% of the issued common shares of the Company;

3. the outstanding stock options which have been granted prior to the implementation of the 2012 Stock Option Plan shall, for the purpose of calculating the number of stock options that may be granted under the 2012 Stock Option Plan, be treated as options granted under the 2012 Stock Option Plan; and

4. the directors and officers of the Company be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions."

7. Approval of Shareholder Rights Plan

The Board of Directors has approved the adoption of a shareholder rights plan (the "**Rights Plan**") entered into with Computershare Investor Services Inc. as rights agent, effective September 7, 2012.

The Rights Plan has been adopted to ensure the fair treatment of all shareholders with respect to any takeover bid for the common shares of the Company. It is designed to provide shareholders with sufficient time to properly consider a take-over bid without undue time constraints. It will also provide the Board of Directors with additional time for review and consideration of an unsolicited take-over bid and, if necessary, for the consideration of alternatives.

The Board of Directors is not aware of any third party currently considering or preparing any proposal to acquire control of the Company.

The Rights Plan is subject to acceptance by the TSX-V (which acceptance has been obtained) and the shareholders of the Company. Accordingly at the Meeting, management of the Company will be presenting the Rights Plan to the Company's shareholders for approval. If ratified by the shareholders, the Rights Plan will have a term of three years. If the Rights Plan is not approved by the Company's shareholders, it will terminate as of the termination of the Meeting.

Background

On September 6, 2012, the Board of Directors approved the Rights Plan and entered into the shareholder rights plan agreement (the "**Rights Plan Agreement**") dated September 7, 2012 between the Company and Computershare Investor Services Inc. as rights agent (the "**Rights Agent**").

The TSX-V accepted notice for filing of the Rights Plan, subject to standard conditions including ratification of the Rights Plan by the shareholders of the Company. A copy of the Rights Plan Agreement is filed on SEDAR (www.sedar.com).

At the Meeting, shareholders of the Company will be asked to consider and, if thought advisable, pass an ordinary resolution, the full text of which is set out below (the "**Rights Plan Resolution**"), approving, ratifying and confirming the Rights Plan. If the Rights Plan Resolution is approved at the Meeting, the Rights Plan will continue in effect for a period of three years. If the Rights Plan Resolution is not approved, the Rights Plan will terminate as of the termination of the Meeting.

The Rights Plan was not adopted in response to, or in anticipation of, any pending or threatened take-over bid. It is not intended to and will not prevent a take-over of the Company.

The Rights Plan does not reduce the duty of the Board of Directors to act honestly, in good faith and in the best interests of the Company and its shareholders, and to consider on that basis any offer made, nor

does the Rights Plan alter the proxy mechanisms to change the Board of Directors, create dilution on the initial issue of the rights or change the way in which the common shares of the Company trade on the TSX-V.

Purpose of the Rights Plan

The purpose of the Rights Plan is to provide the Board of Directors and shareholders of the Company with sufficient time to properly consider any take-over bid made for the Company and to allow enough time for competing bids and alternative proposals to emerge. The Rights Plan also seeks to ensure that all shareholders of the Company are treated fairly in any transaction involving a change of control of the Company and that all shareholders have an equal opportunity to participate in the benefits of a take-over bid. The Rights Plan encourages potential acquirers to make a Permitted Bid (as defined in the Rights Plan) or, alternatively, to negotiate the terms of any offer for common shares of the Company with the Board of Directors. The Rights Plan also addresses several deficiencies that are widely believed to be inherent in the provisions of current legislation governing take-over bids in Canada.

The Board of Directors believes that it is in the interest of the Company's shareholders to address these deficiencies through the mechanisms in the Rights Plan. These deficiencies are described in greater detail below:

(a) Time

Securities legislation in Canada permits a take-over bid to expire in thirty-five (35) days. The Board of Directors is of the view that thirty-five (35) days is not enough time to permit the Board of Directors and the shareholders of the Company to assess an offer and solicit competing offers from third party bidders and, if required, to negotiate with such third party bidders and/or the offeror, and to otherwise try to maximize shareholder value. The Rights Plan provides that a Permitted Bid must be open for at least sixty (60) days and must remain open for a further period of ten (10) business days after the offeror publicly announces that more than 50% of the outstanding common shares held by Independent Shareholders (as defined in the Rights Plan) have been deposited or tendered and not withdrawn.

(b) Pressure to Tender

A shareholder may feel compelled to tender to a take-over bid because, if it fails to do so, the shareholder may be left with illiquid or minority discounted shares. This is particularly so in the case of a partial bid where the offeror wishes to obtain a control position but does not wish to acquire all of the common shares of the Company. In order to alleviate undue pressure to tender to the bid, including in a partial bid situation where the shareholder's common shares will be taken up on a *pro rata* basis with the other tendering shareholders, the Rights Plan contains a shareholder approval mechanism in the Permitted Bid definition, which is that no shares may be taken up and paid for under the bid unless: (i) more than 50% of the then outstanding shares held by Independent Shareholders are deposited or tendered and not withdrawn; and (ii) if condition (i) is satisfied, the bid remains open for acceptance for a further ten (10) day period.

(c) Unequal Treatment of Shareholders

Under current securities legislation, an offeror may obtain control or effective control of the Company without paying full value, without obtaining shareholder approval and without treating all of the shareholders of the Company equally. For example, an offeror could acquire blocks of shares by private agreement from one or a small group of shareholders at a premium to market price which premium is not shared with the other shareholders of the Company. In addition, a person could slowly accumulate

common shares of the Company through stock exchange acquisitions which may result, over time, in an acquisition of control or effective control without paying a control premium or fair sharing of any control premium among all shareholders. Under the Rights Plan, if a take-over bid is to qualify as a Permitted Bid, all offers to acquire 20% or more of the Company's outstanding common shares must be made to all shareholders.

Effect of the Rights Plan

The Rights Plan is not intended to result in the entrenchment of the Board of Directors or as a mechanism to avoid a bid for control that is fair and in the best interests of shareholders of the Company. For example, shareholders may tender to a bid which meets the Permitted Bid criteria without triggering the Rights Plan, regardless of the acceptability of the bid to the Board of Directors.

Furthermore, even in the context of a bid that does not meet the Permitted Bid criteria, the Board of Directors must act honestly and in good faith with a view to the best interests of the Company and its shareholders. The Board of Directors believes that the primary effect of the Rights Plan will be to continue to enhance shareholder value, ensure equal treatment of all shareholders in the context of an acquisition of control, and lessen the pressure upon a shareholder to tender to a bid.

Mechanisms of the Rights Plan

Under the provisions of the Rights Plan, five rights (the "**Rights**") were issued for each outstanding common share of the Company as of September 7, 2012. The Rights are initially represented by the certificates representing the common shares of the Company.

Subject to the terms of the Rights Plan and to certain exceptions provided therein, the Rights will become exercisable in the event any person, together with joint actors, acquires or announces its intention to acquire 20% or more of Company's outstanding common shares without complying with the "Permitted Bid" provisions of the Rights Plan or where the application of the Rights Plan is waived in accordance with its terms.

In the event of a Flip-In Event (as defined in the Rights Plan Agreement), the Rights holders (other than the acquiring person and its joint actors) will be entitled to purchase additional common shares of the Company at one-half the prevailing market price at that time.

Confirmation by Shareholders

If the Rights Plan Resolution is approved at the Meeting, the Rights Plan Agreement between the Company and the Rights Agent will continue to be effective for an initial term of three years (subject to earlier termination or expiration of the Rights (as defined in the Rights Plan) as set out in the Rights Plan) and may be renewed for additional three-year terms subject to approval and ratification by shareholders. If the Rights Plan Resolution is not approved at the Meeting, the Rights Plan will terminate and the Company will no longer have any form of shareholder rights plan in place.

At the Meeting, shareholders of the Company will be asked to consider, and, if considered advisable, to adopt the following resolution:

"**IT IS RESOLVED THAT:**

1. the shareholder rights plan agreement dated September 7, 2012 between the Company and Computershare Investor Services Inc., as rights agent, be and it is hereby approved, ratified and confirmed; and

2. any director and/or officer of the Company, be and is hereby authorized to execute and deliver the Rights Plan Agreement in the name of and on behalf of the Company and to execute and deliver all such other certificates, instruments, agreements, notices and other documents and to do all such other acts and things as in the opinion of such person may be necessary or desirable in connection with the Rights Plan and the Rights Plan Agreement and the performance by the Company of its obligations thereunder."

Recommendation of the Board of Directors

The Board of Directors has concluded that the adoption of the Rights Plan is in the best interests of the Company and its shareholders. Accordingly, the Board of Directors unanimously recommends that the shareholders of the Company ratify, confirm and approve the Rights Plan by voting for the Rights Plan Resolution at the Meeting **The management nominees named in the enclosed form of Proxy will vote for the Rights Plan Resolution, unless a shareholder has specified in the Proxy that his, her or its common shares are to be voted against such resolution.**

8. Approval of Re-Pricing of Stock Options Held by Insiders

The substantial downtown of the world's financial markets has resulted in a significant drop in the trading price of the Company's shares on the TSX-V, with the result being that the incentive stock options of the Company as currently priced are no longer adequate incentive to directors, officers and service providers. Recognizing that stock option grants are a critical element of the Company's compensation policy, the Board of Directors is of the view that it is in the best interests of the Company to re-price the stock options of the Company which are currently outstanding to be more in line with the current market price of the Company's shares.

The Company has agreed to re-price the following stock options previously granted to insiders:

Name of Optionholder	Original Date of Grant	Number of Options Held	Current Exercise Price	New Exercise Price	Expiry Date
Gunther Roehlig	May 13, 2010	56,250	$0.60	$0.18	May 13, 2015
	May 20, 2011	175,000	$0.35	$0.18	May 20, 2016
Volkmar Hable[(1)]	May 20, 2011	1,000,000	$0.35	$0.18	May 20, 2016
Robert McMorran[(2)]	May 13, 2010	56,250	$0.60	$0.18	May 13, 2015
	May 20, 2011	750,000	$0.35	$0.18	May 20, 2016
James Walchuck	May 20, 2011	400,000	$0.35	$0.18	May 20, 2016
Sharon Muzzin	June 29, 2010	25,000	$0.60	$0.18	June 29, 2015
	May 20, 2011	125,000	$0.35	$0.18	May 20, 2016

James Harris	May 13, 2010	31,250	$0.60	$0.18	May 13, 2015
	May 20, 2011	60,000	$0.35	$0.18	May 20, 2016
	TOTAL	2,678,750			

Notes:
(1) Issued to Hable Investment Management Societe Par Actions de Regime Federal, a private company wholly-owned by Dr. Hable.
(2) Issued in the name of Malaspina Consultants Inc., a company of which Mr. McMorran is the sole voting shareholder and sole director.

TSX-V policies require that listed companies obtain the approval of disinterested shareholders in order to re-price stock options granted to insiders. For the purposes of the approval of the resolution described under this section, "*disinterested shareholder approval*" means a simple majority of all shares voted, with any shares owned by insiders of the Company and their associates (either directly or beneficially), being excluded from such vote. The term "*insider*", with respect to the Company, describes any director or senior officer of the Company; a director or senior officer of a company that is itself an insider or subsidiary of the Company; or a person whose control, or direct or indirect beneficial ownership, or a combination thereof, over securities of the Company extends to securities carrying more than 10% of the voting rights attached to all the Company's outstanding securities.

Accordingly, at the Meeting, shareholders other than insiders and their associates, will be asked to pass a resolution in the following form:

"**Resolved as an ordinary resolution**, that subject to the approval of the TSX Venture Exchange:

1. the exercise price of the stock options granted by the Company to the insiders, as set out above, be and are hereby authorized to be reduced to an exercise price of $0.18 per share; and

2. any one Director or officer of the Company be and is hereby authorized and directed to execute in the name of and on behalf of the Company, all such certificates, instruments, agreements, notices and other documents and to do all such other acts and things as in the opinion of such person may be necessary or desirable in connection with the reduction in the exercise price of such incentive stock options and the performance of the Company of its obligations thereunder."

ADDITIONAL INFORMATION

Additional information relating to the Company concerning the Company and its operations is available on SEDAR at www.sedar.com. Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year. Copies of this information are available either on SEDAR or by contacting the Company at its offices located at 880-580 Hornby Street, Vancouver, British Columbia V6C 3B6; Phone (604) 558-1080; Fax: (604) 558-1081.

BOARD APPROVAL

The contents of this Information Circular have been approved and its mailing has been authorized by the Board.

OTHER MATTERS TO BE ACTED UPON

Management of the Company is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of the Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters that properly may come before the Meeting.

Dated this 10th day of September, 2012.

ON BEHALF OF THE BOARD OF DIRECTORS

"*Gunther Roehlig*"
Gunther Roehlig
Interim President & CEO and Director

SCHEDULE "A" TO THE INFORMATION CIRCULAR OF SAMARANTA MINING CORPORATION

Audit Committee Charter
Samaranta Mining Corporation

1. Mandate

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Samaranta Mining Corporation (the "**Company**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing (1) the financial statements, reports and other financially-based information provided to shareholders, regulators and others; (2) the internal controls that management and the Board have established; and (3) the audit, accounting and financial reporting processes generally.

In meeting these responsibilities, the Committee will:

(a) monitor the financial reporting process and internal control system;

(b) review and appraise the work of the external auditors; and

(c) provide an open avenue of communication between the external auditors, senior management and the Board.

The external auditors are accountable to the shareholders through the Committee. The Committee is responsible for ensuring that the external auditors comply with the requirements stipulated in this Charter and satisfying itself of the external auditors' independence.

2. Composition

The Committee shall be composed of a minimum of three directors of the Company, a majority of whom are independent. An independent director, as defined in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") is a director who has no direct or indirect material relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a members independent judgment or as otherwise determined to be independent in accordance with NI 52-110.

At least one member 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 Committee's 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. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience. The chairperson of the Committee (the "**Chairperson**") shall be appointed by the Board for a one-year term, and may serve any number of consecutive terms.

3. Meetings

The Committee shall try to meet at least four times per year and may call special meetings as required. A quorum at meetings of the Committee shall be its Chairperson and one of its other members or the Chairman of the Board. The Committee may hold its meetings, and members of the Committee may attend meetings, by telephone conference if this is deemed appropriate.

The Chairperson shall, in consultation with management and the external auditor and internal auditor (if any), establish the agenda for the meetings and ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The external auditor will also receive notice of all meetings of the Committee. The Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to Committee members with copies to the Board, the Chief Executive Officer, the Chief Financial Officer and the external auditor.

4. Responsibilities and Duties

Audit Committee

To fulfill its responsibilities and duties, the Committee shall:

(a) Review this Charter annually, and update if necessary.

(b) 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.

(c) Where the Committee deems it necessary, obtain a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company.

(d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(e) Take, or recommend that the full Board, take appropriate action to oversee the independence of the external auditors.

(f) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

(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 with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(i) 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 (5%) of the total amount of fees 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.

Chairperson

The fundamental responsibility of the Chairperson is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Chairperson's responsibilities shall include:

(a) working with the Chairman of the Board, the Chief Executive Officer and the Secretary to establish the frequency of Committee meetings and the agendas for meetings;

(b) providing leadership to the Committee and presiding over Committee meetings;

(c) facilitating the flow of information to and from the Committee and fostering an environment in which Committee members may ask questions and express their viewpoints;

(d) reporting to the Board with respect to the significant activities of the Committee and any recommendations of the Committee;

(e) leading the Committee in annually reviewing and assessing the adequacy of its mandate and evaluating its effectiveness in fulfilling its mandate; and

(f) taking such other steps as are reasonably required to ensure that the Committee carries out its mandate.

5. Financial Reporting Processes

(a) Review, discuss and recommend to the Board for approval, the annual audited financial statements and related "management's discussion and analysis" prior to delivery to shareholders, and where applicable, filing with securities regulatory authorities.

(b) Review and discuss with the external auditors the results of their reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditors' activities or requested information and any significant disagreements with management, and resolving any disputes.

(c) Review, discuss, approve, or recommend to the Board for approval, the quarterly financial statements and quarterly "management's discussion and analysis" prior to delivery to shareholders, and where applicable, filing with securities regulatory authorities.

(d) Review and discuss with management and the external auditors the Company's critical accounting policies and practices, material alternative accounting treatments, significant accounting and reporting judgments, material written communications between the external auditor and management (including management representation letters and any schedule of unadjusted differences) and significant adjustments resulting from the audit or review.

(e) Where applicable, review and discuss with management the Company's earnings press releases, and such other relevant public disclosures containing financial information as the Committee may consider necessary or appropriate.

(f) Where applicable, review and discuss with management the disclosure controls relating to the Company's public disclosure of financial information, including information extracted or derived from the financial statements, and periodically assess the adequacy of such procedures.

(g) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

(h) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

(i) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

(j) 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.

(k) 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.

(l) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(m) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(n) Review the certification process.

(o) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

6. Other

Review any related-party transactions.

SCHEDULE "B" TO THE INFORMATION CIRCULAR OF SAMARANTA MINING CORPORATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

(a) "**Accelerated Vesting Event**" means the occurrence of any one of the following events:

(i) a take-over bid (as defined under Securities Legislation) is made for Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any person or persons acting jointly or in concert (as determined under Securities Legislation) or persons associated or affiliated with such person or persons (as determined under Securities Legislation) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;

(ii) the acquisition or continuing ownership by any person or persons acting jointly or in concert (as determined under Securities Legislation), directly or indirectly, of Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such person or persons, persons associated with such person or persons, or persons affiliated with such person or persons (as determined under Securities Legislation) (collectively, the "Acquirors"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;

(iii) an amalgamation, merger, arrangement or other business combination (a "Business Combination") involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;

(b) "**Affiliate**" shall have the meaning ascribed thereto by the Exchange in Policy 1.1 – Interpretation";

(c) "**Associate**" shall have the meaning ascribed thereto by the Exchange in Policy 1.1 – Interpretation";

(d) "**Board**" means the Board of Directors of the Corporation or, as applicable, a committee consisting of not less than 3 directors of the Corporation duly appointed to administer this Plan;

(e) "**Charitable Organization**" means "charitable organization" as defined in the Income Tax Act (Canada) from time to time;

(f) "**Common Shares**" means the common shares of the Corporation;

(g) "**Consultant**" means an individual or Consultant Company, other than an Employee or a Director of the Corporation, that:

(i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation other than services provided in relation to a Distribution,

(ii) provides the services under a written contract between the Corporation or an Affiliate of the Corporation and the individual or the Consultant Company,

(iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the business and affairs of the Corporation or an Affiliate of the Corporation, and

(iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the Consultant to be knowledgeable about the business and affairs of the Corporation;

(h) "**Consultant Company**" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(i) "**Corporation**" means Samaranta Mining Corporation and its successor entities;

(j) "**Director**" means directors, senior officers and Management Company Employees of the Corporation or its subsidiaries, if any, to whom stock options can be granted in reliance on a prospectus exemption under applicable securities laws;

(k) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by all shareholders entitled to vote at a meeting of shareholders of the Corporation excluding votes attached to shares beneficially owned by insiders to whom options may be granted under this Plan and their Associates;

(l) "**Distribution**" has the meaning ascribed thereto by the Exchange;

(m) "**Eligible Person**" means

(i) a Director, Officer, Employee or Consultant of the Corporation or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; and

(ii) a Charitable Organization at the time the Option is granted;

(n) "**Employee**" means an individual who:

(i) is considered an employee of the Corporation or its subsidiaries, if any, under the *Income Tax Act*, (Canada) i.e. for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source,

(ii) works full-time for the Corporation or its subsidiaries, if any, providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source, or

(iii) works for the Corporation or its subsidiaries, if any, on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and method of work as an employee of the Corporation, but for whom income tax deductions are not made at source;

(o) "**Exchange**" means the TSX Venture Exchange and any successor entity or the Toronto Stock Exchange if the Corporation is listed thereon;

(p) "**Expiry Date**" means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;

(q) "**Insider**" means a director or senior officer of the Corporation, a person that beneficially owns or controls directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation, a director or senior officer of a company that is an insider or a subsidiary of the Corporation, and the Corporation itself if it holds any of its own securities;

(r) "**Investor Relations Activities**" means any activities, by or on behalf of the Corporation or shareholder of the Corporation that promote or could reasonably be expected to promote the purchase or sale of securities of the Corporation;

(s) "**Management Company Employee**" means an individual who is employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities;

(t) "**Officer**" means an officer of the Corporation or its subsidiaries, if any;

(u) "**Option**" means a non-transferable and non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;

(v) "**Other Share Compensation Arrangement**" means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;

(w) "**Participant**" means an Eligible Person who has been granted an Option;

(x) "**Plan**" means this incentive stock option plan;

(y) "**Termination Date**" means the date on which a Participant ceases to be an Eligible Person.

1.2 Interpretation

References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.

ARTICLE 2
ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

(a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation, its Affiliates and its subsidiaries, if any;

(b) encouraging Eligible Persons to remain with the Corporation, its Affiliates or its subsidiaries, if any; and

(c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

(a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated

or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan.

(b) If there is a change in the outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:

(i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;

(ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and

(iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable and, if it relates to Investor Relations vesting provisions, then subject to the approval of the Exchange,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Participants as it shall deem advisable.

(c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.

(d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3
ADMINISTRATION OF THE PLAN

3.1 Administration

(a) This Plan shall be administered by the Board or any committee established by the Board for the purpose of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:

(i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of

Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Participant's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and

(ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 hereof.

(b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Participants and all other persons.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any portion thereof. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Participant. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Legislation

(a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any governmental or regulatory agency as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.

(b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the securities laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.

(c) Common Shares sold, issued and delivered to Participants pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.

ARTICLE 4
OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Representation

The Corporation represents that an Employee, Consultant or Management Company Employee who is granted an Option or Options is a bona fide Employee, Consultant or Management Company Employee, as the case may be. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

(a) **To any one person**. The number of Common Shares reserved for issuance to any one person in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the grant (unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit).

(b) **To Consultants**. The number of Common Shares reserved for issuance to any one Consultant in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares at the time of the grant.

(c) **To persons conducting Investor Relations Activities**. The number of Common Shares reserved for issuance to all persons employed to provide Investor Relations Activities in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed an aggregate of 2% of the outstanding Common Shares at the time of the grant.

(d) **To Insiders**. Unless the Corporation has received Disinterested Shareholder Approval to do so:

(i) the aggregate number of Common Shares reserved for issuance to Insiders under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and

(ii) the aggregate number of Common Shares reserved for issuance to Insiders in any 12 month period under this Plan and any Other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

(e) **Exercises**. Unless the Corporation has received Disinterested Shareholder Approval to do so, the number of Common Shares issued to any person within a 12 month period pursuant to the exercise of Options granted under this Plan and any Other Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares at the time of the exercise.

ARTICLE 5
OPTION TERMS

5.1 Exercise Price

(a) Subject to a minimum exercise price of $0.10 per Common Share, the exercise price per Common Share for an Option shall not be less than the Market Price for the Corporation's common shares (as defined by the policies of the Exchange) at the date of grant.

(b) If Options are granted within ninety days of a Distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection 5.1(a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such Distribution. Such ninety day period shall begin:

(i) on the date the final receipt is issued for the final prospectus in respect of such Distribution; or

(ii) in the case of a prospectus that qualifies special warrants, on the closing date of the private placement in respect of such special warrants.

5.2 Expiry Date

Every Option granted shall, unless sooner terminated, have a term not exceeding and shall therefore expire no later than 10 years after the date of grant.

5.3 Vesting

(a) Subject to subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.

(b) Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Accelerated Vesting Event

Upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Option, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with the holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

5.5 Non-Assignability

Options may not be assigned or transferred.

5.6 Ceasing to be Eligible Person

(a) If a Participant who is an Employee or Consultant is terminated for cause or terminates his relationship with the Company without giving at least 30 days' written notice to the Company, each Option held by such Participant shall terminate and shall therefore cease to be exercisable upon such termination.

(b) If a Participant dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Participant shall terminate and shall therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months after the date of the Participant's death.

(c) Unless an option agreement specifies otherwise, if a Participant ceases to be an Eligible Person for any reason whatsoever other than as specified in sub-sections 5.6(a) and (b), each Option held by a Participant other than a Participant who is involved in investor relations activities will cease to be exercisable 90 days after the Termination Date, and for Participants involved in investor relations activities Options shall cease to be exercisable 30 days after the Termination Date.

(d) For greater certainty, if a Participant dies, each Option held by such Participant shall be exercisable by the legal representative of such Participant until such Option terminates and therefore ceases to be exercisable pursuant to the terms of this Section.

(e) If any portion of an Option is not vested at the time a Participant ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Participant or its legal representative, as the case may be. For greater certainty, and without limitation, this provision will apply regardless of whether the Participant ceased to be an Eligible Person voluntarily or involuntarily, was dismissed with or without cause, and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a notice of termination for a period which would otherwise have permitted a greater portion of an Option to vest.

ARTICLE 6
EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Participant only upon the Participant's delivery to the Corporation at its head office of:

(a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;

(b) the originally signed option agreement with respect to the Option being exercised;

(c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised; and

(d) documents containing such representations, warranties, agreements and undertakings, including such as to the Participant's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the laws of any jurisdiction;

and on the business day following, the Participant shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Participant.

ARTICLE 7
AMENDMENT OF OPTIONS

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Participant and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option if the Participant is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

ARTICLE 8
MISCELLANEOUS

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon a Participant any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Participant shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon a Participant any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Participant's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Participant beyond the time which the Participant would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.