

Form 51-103F4
Information Circular

PART 1 INSTRUCTIONS

1. Defined Terms

Refer to National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers* for terms that are used in this form that are not defined in this form. If not defined in that instrument, refer to securities legislation and National Instrument 14-101 *Definitions*.

This form also uses accounting terms that are defined, or referred to, in Canadian GAAP applicable to publicly accountable enterprises. See the guidance at the end of Part 1 of National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers*.

2. Incorporating Information by Reference

If the disclosure required by this form has previously been provided in another document filed by the venture issuer, the venture issuer may comply with the disclosure requirements of this form by stating the name and date of that other document and that it is available on the venture issuer's profile on SEDAR at www.sedar.com. The venture issuer must also include a statement that the applicable disclosure is incorporated by reference into the information circular. If the other document is lengthy, indicate the location of the relevant information in the other document.

3. Plain Language

Use plain, easy to understand language in drafting the information circular. Avoid technical terms but, if they are necessary, explain them in a clear and concise manner.

4. Format

The numbering, headings and ordering of the items included in this form are guidelines only. To make the information circular easier to understand, present information in tables, where possible. State all amounts in figures.

5. Omitting Information

It is not necessary to respond to an item in this form if it is not applicable to the venture issuer. Information may be omitted if (a) it is not known to the person or company on whose behalf the solicitation is made, (b) it is not reasonably within the power of such person or company to obtain, and (c) the information circular briefly states the circumstances that make the information unavailable.

PART 2 INTRODUCTORY CONTENTS OF INFORMATION CIRCULAR

6. Date

Date the information circular with a date that is not more than thirty days before the date the information circular is first sent to any securityholder of the venture issuer. Unless otherwise required by this form, all information in the information circular must be current to that date.

7. Solicitation

- (1) Indicate who is making or on whose behalf the solicitation is being made. State who will pay the costs of solicitation.
- (2) If the solicitation is to be made other than by mail, describe the method to be used. If specially engaged employees or soliciting agents will make the solicitation describe the material terms of the engagement including the parties and the cost.

8. Opposition by a Director

If a director has informed management that he or she intends to oppose any action intended to be taken by management at the meeting, state this and indicate the action that he or she has indicated an intention to oppose.

9. Record Date Establishing Securityholders Who Can Vote

- (1) State the record date for determining which securityholders of record are entitled to vote at the meeting or, if applicable, the particulars as to the closing of the security transfer register.
- (2) If the right to vote is not limited to securityholders of record as of a specified record date, state the conditions under which securityholders are entitled to vote.

10. Outstanding Voting Securities

- (1) For each class of voting securities of the venture issuer entitled to be voted at the meeting, state the number of securities outstanding and describe the voting rights.
- (2) If the venture issuer has outstanding restricted securities, or securities that are directly or indirectly convertible into or exercisable into or exchangeable for restricted securities or securities that will, when issued, result in an existing class of outstanding securities being considered restricted securities, provide a cross-reference to the disclosure in the annual report that complies with Part 10 of National Instrument 51-102 *Continuous Disclosure Obligations*.

PART 3 ADDITIONAL INFORMATION

11. Availability of Information

- (1) State that additional information relating to the venture issuer is available on SEDAR at www.sedar.com
- (2) State that information regarding the venture issuer can be found in the annual report for its most recently completed financial year and in the most recently filed mid-year report.
- (3) Identify and disclose in bold-face type the most recently filed annual report or other document in which disclosure was provided relating to
 - (a) director and executive officer compensation,
 - (b) indebtedness of directors and executive officers,
 - (c) governance of the venture issuer by the board of directors, and
 - (d) fees paid to the auditor.

State that information relating to each of those matters can be found in the applicable document and that the document is available on the SEDAR website at www.sedar.com.

- (4) If a venture issuer has not filed, prior to the date of the information circular, an annual report for its most recently completed financial year, the information circular must include the disclosure required to be included in an annual report under Parts 2, 3, 4, 5, 6, 7 and 8 of Form 51-103F1 *Annual and Mid-Year Reports*.
- (5) Disclose how a securityholder may contact the venture issuer to request a copy of the venture issuer's most recent annual report and mid-year report.

PART 4 ELECTION OF DIRECTORS

12. Biographies of and Securities Held by Proposed Directors

This section only applies if directors are to be elected at the meeting.

- (1) List each of the individuals who are to be nominated for election as a director and each other individual whose term as a director will continue following the meeting, including the expiry date of such individual's term.
- (2) If an individual, who is not currently a director, is to be nominated for election as a director (a "proposed new director"), provide the following information in respect of that individual:
 - (a) name, municipality and country of residence;

- (b) principal occupation, business or employment for the prior five years, including the name and principal business of any company in which any such employment is carried on;
 - (c) the number of securities of each class of the venture issuer and any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly;
 - (d) if an individual is or has been within the prior five years a director or executive officer of another reporting issuer or an entity that is subject to reporting obligations in a foreign jurisdiction, the name of that other reporting issuer or entity and the position held with that other reporting issuer or entity;
 - (e) if the proposed new director, alone or together with his or her associates or affiliated entities, is a principal holder of the venture issuer's securities,
 - (i) disclose the number of securities of each class beneficially owned, or controlled or directed, directly or indirectly, by the proposed new director and his or her associates or affiliated entities, and
 - (ii) state the name of each associate or affiliated entity of the proposed new director who is a principal holder; and
 - (f) if the proposed new director owes or since the start of the last completed financial year owed a debt to the venture issuer or a subsidiary entity of the venture issuer or is or was during the last completed financial year a beneficiary of a guarantee to a third party, a support agreement, letter of credit or similar arrangement or understanding provided by the venture issuer, provide the disclosure specified by section 36 of Form 51-103F1 *Annual and Mid-Year Reports*.
- (3) For each proposed director who is not a proposed new director, comply with either of the following
- (a) provide the disclosure for the proposed director that is required by subsection (2) for a proposed new director
 - (b) if disclosure comparable to that required by subsection (2) has been provided in the most recent annual report and the information has not changed materially since that date, provide a cross-reference to the disclosure in the most recent annual report and state that it is incorporated by reference into the information circular.

13. Special Voting Rights and Arrangements

- (1) If directors are to be elected and any class of securityholder has the right to elect a specified number of directors or has cumulative or similar voting rights, describe those rights and how they may be exercised.

- (2) If a proposed director is to be elected under any arrangement or understanding with any other person or company, name the other person or company and briefly describe the arrangement or understanding. It is not necessary to describe an arrangement with the directors or executive officers of the venture issuer acting on behalf of the venture issuer.

14. Cease Trade Orders, Penalties, Sanctions and Bankruptcies of Proposed New Directors

- (1) If a proposed new director of the venture issuer is, as at the date of the information circular, or has been, within 10 years before the date of the information circular, a director or executive officer of any entity (including the venture issuer) that, while that individual was acting in that capacity,
- (a) was the subject of a cease trade or similar order, including a management cease trade, or an order that denied the relevant entity access to any exemption under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect,
 - (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the entity being the subject of a cease trade or similar order, including a management cease trade, or an order that denied the relevant entity access to any exemption under securities legislation, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect, or
 - (c) within a year of that individual 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, state the fact.
- (2) If a proposed new director or a personal holding company of the proposed new director has, within the 10 years before the date of the 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 new director or personal holding company, as applicable, state the fact.
- (3) If a proposed new director or a personal holding company of a proposed new director has been subject to a penalty or sanction, other than a late filing fee, describe the penalty or sanction imposed and the grounds on which it was imposed, if any of the following apply
- (a) it was imposed by a court and relates to securities legislation,
 - (b) it was imposed by a securities regulatory authority,

- (c) it was imposed by a court, regulatory body or SRO and would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed new director.
- (4) If a proposed new director or a personal holding company of a proposed new director has entered into a settlement agreement with a securities regulatory authority, describe the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement.
- (5) Despite subsection (4), disclosure of a settlement agreement entered into before December 31, 2000 is not required unless it would likely be considered important to a reasonable investor in making an investment decision.
- (6) For each proposed director, other than a proposed new director, comply with either of the following:
 - (a) provide the disclosure required by this section for a proposed new director,
 - (b) if disclosure comparable to the disclosure required by this section was provided in the last annual report or another document filed in the prior 12 months and that disclosure continues to be accurate, provide a cross-reference to that disclosure and state that it is incorporated by reference into the information circular.

PART 5 APPOINTMENT OF AUDITOR

15. Current Auditor

- (1) Name the current auditor of the venture issuer and if the auditor was first appointed within the last five years, state the date when the auditor was first appointed.
- (2) Indicate who is recommending appointment of the auditor for the ensuing financial year.
- (3) If action is to be taken to replace an auditor, provide the information required under section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* as if the issuer was a “senior unlisted issuer” as defined in National Instrument 51-102 *Continuous Disclosure Obligations* to which that instrument applies.

PART 6 PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

16. General Description

- (1) If securityholders will be asked to vote at the meeting on any matter other than the approval of financial statements, the election of directors or the appointment of the auditor, describe the matter they will be asked to vote on (and any related groups of matters) in sufficient detail to allow a reasonable securityholder to form a reasoned judgment on how to vote.

Guidance:

Examples of such matters include:

- *alterations of share capital, such as stock splits, consolidations and creation or amendment of classes of shares;*
- *amendments to constating documents and by-laws;*
- *adoption or amendment of equity compensation plans and shareholders' rights plans;*
- *major acquisitions or restructuring transactions related to material property acquisitions or dispositions;*
- *reverse takeovers;*
- *amalgamations, mergers, arrangements or reorganizations; and*
- *other similar transactions.*

- (2) If the venture issuer is not legally required to obtain securityholder approval of the matter, explain why the venture issuer is asking securityholders to vote on it. Also state what management intends to do if securityholders vote against the matter.

17. Additional Disclosure for Restructuring Transactions

- (1) If securityholders are asked to vote on a restructuring transaction under which securities are to be changed, exchanged, issued or distributed, include disclosure for each of the following:
- (a) the venture issuer if it has not filed all documents required under National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for a Venture Issuer*,
 - (b) each entity, other than the venture issuer, whose securities are being changed, exchanged, issued or distributed, if the venture issuer's current securityholders will have an interest in that entity after the restructuring transaction is completed,
 - (c) each entity that would result from the restructuring transaction, if the venture issuer's securityholders will have an interest in that entity after the restructuring transaction is completed.
- (2) The disclosure required under subsection (1) for the venture issuer or entity must be the disclosure, including annual financial statements and interim financial reports, if any, prescribed under securities legislation and described in the form of prospectus that the venture issuer or entity, respectively, would be eligible to use immediately prior to the sending and filing of the information circular in respect of the restructuring transaction for a distribution of securities in the jurisdiction.

18. Additional Disclosure for Major Acquisitions

- (1) If securityholders are asked to vote on a major acquisition that is not a restructuring transaction, include in the information circular the disclosure, including annual financial statements and interim financial reports, if any, required by section 22 of National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers*.
- (2) If the acquisition date for the major acquisition has not occurred as at the date of the information circular, modify the disclosure required by subsection (1) to
 - (a) convey that the acquisition date has not occurred;
 - (b) provide annual financial statements and interim financial reports, if any, for the business or related business to be acquired as if the acquisition date were the date of the information circular.

19. Exemptions from Disclosure

- (1) If a person or company, other than management of a venture issuer, solicits proxies, the disclosure requirements of this Part do not apply to the information circular (a “dissident circular”), unless the sender of the dissident circular is proposing a restructuring transaction involving the venture issuer and the sender, under which securities of the sender, or an affiliated entity of the sender, are to be distributed or transferred to securityholders of the venture issuer.
- (2) An information circular or filing statement prepared by a venture issuer in connection with a “qualifying transaction” for a “CPC” or in connection with a “reverse take over” satisfies the disclosure requirements of this Part if the venture issuer complies with the policies and requirements of the TSX Venture Exchange in respect of that qualifying transaction or reverse take over, as applicable.
- (3) For the purpose of subsection (2) only, the terms “qualifying transaction”, “CPC” and “reverse take over” have the meanings provided in the TSX Venture Exchange Corporate Finance Manual.

20. Restricted Securities

In addition to the disclosure required by this Part, if securityholders will be asked to vote on a transaction that would have the effect of converting or subdividing, in whole or in part, existing securities into restricted securities, or creating new restricted securities, the information circular must also include a description of:

- (1) the rights, including voting rights, attached to the restricted securities that are the subject of the transaction or that will result from the transaction either directly or following a conversion, exchange or exercise;

- (2) the voting rights, if any, attached to the securities of any other class of securities of the venture issuer that are the same or greater on a per security basis than those attached to the restricted securities that are the subject of the transaction or that will result from the transaction either directly or following a conversion, exchange or exercise;
- (3) the percentage of the aggregate voting rights attached to the venture issuer's securities that are represented by the class of restricted securities;
- (4) any significant provisions under applicable corporate and securities law, in particular whether the restricted securities may or may not be tendered in any takeover bid for securities of the venture issuer having voting rights superior to those attached to the restricted securities, that do not apply to the holders of the restricted securities that are the subject of the transaction or that will result from the transaction either directly or following a conversion, exchange or exercise, but do apply to the holders of another class of equity securities, and the extent of any rights provided in the constating documents or otherwise for the protection of holders of the restricted securities; and
- (5) any rights under applicable corporate law, in the constating documents or otherwise, of holders of restricted securities that are the subject of the transaction either directly or following a conversion, exchange or exercise, to attend, in person or by proxy, meetings of holders of equity securities of the venture issuer and to speak at the meetings to the same extent that holders of equity securities are entitled.

PART 7 INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE VOTED ON

21. Disclosure of Material Interests

Briefly describe any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons or companies in any matter to be voted on, other than the election of directors or the appointment of auditors:

- (a) if the solicitation is made by or on behalf of the venture issuer's management, each individual who has been a director or executive officer of the venture issuer at any time since the beginning of the venture issuer's last financial year;
- (b) if the solicitation is made by or on behalf of anyone other than the venture issuer's management, each person or company by whom, or on whose behalf, directly or indirectly, the solicitation is made;
- (c) each proposed new director of the venture issuer; and
- (d) each associate or affiliated entity of any of the persons or companies listed in paragraphs (1) to (3).

22. Interpretation

- (1) For the purpose of section 21, each of the following persons and companies are deemed to be persons or companies by whom or on whose behalf the solicitation is made (collectively, “solicitors” or individually a “solicitor”):
 - (a) a member of a committee or group that solicits proxies, and any person or company whether or not named as a member who, acting alone or with one or more other persons or companies, directly or indirectly takes the initiative or engages in organizing, directing or financing any such committee or group;
 - (b) a person or company who contributes, or joins with another to contribute, more than \$250 to finance the solicitation of proxies;
 - (c) a person or company who lends money, provides credit, or enters into any other arrangements, under any contract or understanding with a solicitor, for the purpose of financing or otherwise inducing the purchase, sale, holding or voting of securities of the venture issuer but not including a bank or other lending institution or a dealer that, in the ordinary course of business, lends money or executes orders for the purchase or sale of securities.

- (2) The following persons and companies are deemed not to be solicitors:
 - (a) a person or company retained or employed by a solicitor to solicit proxies or a person or company who merely transmits proxy-soliciting material or performs ministerial or clerical duties;
 - (b) a person or company employed or retained by a solicitor in the capacity of lawyer, accountant, or advertising, public relations, investor relations or financial advisor and whose activities are limited to the performance of their duties in the course of the employment or retainer;
 - (c) a person or company regularly employed as an executive officer or employee of the venture issuer or any of its affiliated entities; or
 - (d) an executive officer or director of, or a person or company regularly employed by, a solicitor.