



**INFORMATION CIRCULAR  
FOR THE  
ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON WEDNESDAY DECEMBER 18, 2013**

This information is given as of November 13, 2013 unless otherwise noted.

**SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by the management of **TIREX RESOURCES LTD.** (the "Company") for use at the Annual General Meeting (the "Meeting") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment thereof.

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed Instrument of Proxy is solicited by Management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Instrument of Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Information Circular.

**APPOINTMENT OF PROXYHOLDER**

A duly completed form of proxy will constitute the person(s) named in the enclosed form of proxy as the proxyholder for the shareholder ("Registered Shareholder"). The persons whose names are printed in the enclosed form of proxy for the Meeting are officers or directors of the Company (the "Management Proxyholders").

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

**VOTING BY PROXY**

Common shares of the Company (the "Shares") represented by properly executed proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

**If no choice is specified and one of the Management Proxyholders is appointed by a Registered Shareholder as proxyholder, such person will vote in favour of each matter identified in the notice of Meeting and for the nominees of management for directors and auditor.**

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

### **COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Investor Services Inc., 3rd Floor, 510 Burrard Street, Vancouver, B.C. V6C 3B9, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

### **NON-REGISTERED HOLDERS**

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares.** More particularly, a person is not a Registered Shareholder in respect of Shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as "NOBO's". Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as "OBO's".

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has elected to send the notice of Meeting, this Information Circular and the proxy (collectively, the "Meeting Materials") directly to the NOBO's, and indirectly through Intermediaries to the OBO's.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

Meeting Materials sent to Non-Registered Holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "VIF"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Shareholder. VIF's, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder or his/her nominee the right to attend and vote at the Meeting. **Non-Registered Holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.**

### **REVOCABILITY OF PROXY**

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the Registered Shareholder or by his attorney authorized in writing or, if the Registered Shareholder is a Company, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for the Company or their respective Intermediary, as the case may be, to revoke the proxy on their behalf.**

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

Other than as disclosed elsewhere in this Information Circular, none of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or senior officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and for those matters pertaining to incentive stock options.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of common Shares without par value. On November 13, 2013, 76,235,990 common Shares without par value were issued and outstanding, each share carrying the right to one vote. At a General Meeting of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each share of which he or she is the holder.

Only shareholders of record on the close of business on the 13th day of November, 2013 who either personally attend the Meeting or who complete and deliver an Instrument of Proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and senior officers of the Company, the following persons or companies beneficially own, directly or indirectly or exercise control or direction over, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company:

Name	Number of Shares Held	Percentage of Shares Held
The Depository Trust Company <sup>1</sup>	14,205,965	20.36%
Citibank CDS Custodial <sup>1</sup>	11,860,811	17.00%
Royal Bank of Canada <sup>1</sup>	7,490,752	10.73%

<sup>1</sup> The beneficial owners are not known.

The above information was provided by management of the Company and the Company's registrar and transfer agent as of November 13, 2013.

## STATEMENT OF EXECUTIVE COMPENSATION

In this section, "Named Executive Officer" means (a) the Chief Executive Officer (or an individual who acted in a similar capacity), (b) the Chief Financial Officer (or an individual who acted in a similar capacity), (c) each of the Company's three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000), and (d) any additional individuals whose total salary and bonus exceeded \$150,000 during the year ended April 30, 2013. The Company presently has three Named Executive Officers (NEOs), namely Bryan Slusarchuk, the Chief Executive Officer (CEO), Jonathan Richards, Chief Financial Officer (CFO), and Fred Tejada (VP Operations and Exploration; President).

*All dollar amounts referenced herein are in Canadian dollars unless otherwise specified.*

### Compensation Discussion and Analysis

The Company is a Tier 2, venture issuer in accordance with the policies of the TSX Venture Exchange ("the TSX-V"), and its business is the acquisition and exploration of mineral properties in Albania.

The NEOs are paid cash compensation for their services as executive officers of the Company and they are also granted incentive stock options from time to time in accordance with the Company's stock option plan and the policies of the TSX-V. The Company granted 600,000 incentive stock options during its financial year ending April 30, 2013; none of which were to NEO's. The Company may grant additional options as a means of compensating, attracting, retaining and motivating its NEOs and to closely align the personal interests of such persons to those of the shareholders.

The Company's Compensation Committee (established on April 4, 2011), currently comprised of R. Stuart Angus and John G. Booth in consultation with the Company's Board of directors, has the responsibility to administer compensation policies related to executive management of the Company, including option-based awards. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive's level of responsibility.

### Summary of Compensation

The following table sets forth all annual and long-term compensation for services paid to or earned by the NEOs for the financial years ended April 30, 2012, and 2013:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>2</sup> (\$)	Non-equity incentive Plan contribution (\$)		Pension Value (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans		
Bryan Slusarchuk CEO and Director	2013	150,000 <sup>1</sup>	n/a	nil	nil	nil	nil	150,000
	2012	150,000 <sup>1</sup>	n/a	158,456	nil 1	nil	nil	308,456

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>2</sup> (\$)	Non-equity incentive Plan contribution (\$)		Pension Value (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans		
<b>Jonathan Richards</b> <i>CFO</i>	2013	60,000 <sup>3</sup>	n/a	nil	nil	nil	nil	60,000
	2012	60,000 <sup>3</sup>	n/a	96,834	nil	nil	nil	156,834
<b>Fred Tejada</b> <i>VP Operations and Exploration; President</i>	2013	165,000 <sup>4</sup>	n/a	nil	nil	nil	nil	165,000
	2012	153,333 <sup>4</sup>	n/a	152,023	nil	nil	nil	305,356

<sup>1</sup> Management fees paid to Skanderbeg Capital Group Ltd., a private company owned by Bryan Slusarchuk.

<sup>2</sup> Fair value of the options granted, calculated in accordance with IFRS.

<sup>3</sup> Professional fees paid to Red Fern Consulting Ltd., a private company owned by Jonathan Richards.

<sup>4</sup> Fred Tejada was appointed VP of Operations and Exploration on June 15, 2011 and President on October 28, 2011.

### Long Term Incentive Plan (LTIP) Awards

The Company does not have any long term incentive plans and, save as disclosed above, no remuneration payments were made, directly or indirectly, by the Company to its NEOs during the financial year ended April 30, 2013.

An LTIP means “any plan providing compensation intended to serve as an incentive for performance to occur over a period longer than one fiscal year whether performance is measured by reference to financial performance of the Company or an affiliate or the price of the Company’s shares but does not include option or stock appreciation rights plans or plans for compensation through restricted shares or units”.

### Incentive Plan Awards

The Company does not have any share-based awards.

The Company currently has in place a 10% “rolling” stock option plan (the “Plan”) for the purpose of attracting and motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such person with the opportunity to acquire an equity interest in the Company through rights granted under the Plan. As at April 30, 2013, there were 7,295,000 options outstanding under the Plan, of which 600,000 options were granted during the financial year ended April 30, 2013.

At April 30, 2013, the Company had 76,235,990 shares issued and outstanding, such that a maximum of 7,623,599 options were available to be issued under the Plan.

Any grant of options under the Plan is within the discretion of the Board of directors, subject to the condition that the maximum number of shares which may be issuable under the Plan shall not exceed 10% of the Company’s issued and outstanding shares. In addition, the number of option shares which may be issuable under the Plan within a one year period: (i) to any one individual shall not exceed 5% of the outstanding issued shares; and (ii) to a consultant or an employee performing investor relations activities, shall not exceed 2% of the outstanding issued shares. See “Incentive Plan Awards” below for details of the option-based awards outstanding as at April 30, 2013 for each of the NEOs.

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

The following table discloses the particulars of all awards for each NEO outstanding as at April 30, 2013:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options	Option exercise price (CDN \$)	Option expiration date	Value of unexercised in-the-money options <sup>1</sup> (CDN \$)	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested
<b>Bryan Slusarchuk</b> <i>CEO</i>	50,000	\$0.60	Apr. 30/14	2,500	Nil	Nil
	530,000	\$0.71	Sept. 25/14	N/A	Nil	Nil
	270,000	\$0.80	May 16/16	N/A	Nil	Nil
<b>Jonathan Richards</b> <i>CFO</i>	20,000 <sup>2</sup>	\$0.60	Apr. 30/14	1,000	Nil	Nil
	200,000 <sup>2</sup>	\$1.35	June 19/14	N/A	Nil	Nil
	30,000 <sup>2</sup>	\$0.71	Sept. 25/14	N/A	Nil	Nil
	165,000	\$0.80	May 16/16	N/A	Nil	Nil
<b>Fred Tejada</b> <i>VP Operations and Exploration; President</i>	500,000	\$0.75	Oct. 28/16	N/A	Nil	Nil

<sup>1</sup> The value of unexercised “in-the-money options” is based on the difference between the market value of the Company’s common shares on April 30, 2013 and the exercise price of the options. The closing price of the Company’s common shares on the TSXV on April 30, 2013 was \$0.40.

<sup>2</sup> Granted prior to Jonathan Richards being appointed as CFO on December 1, 2009.

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

The following table summarizes the value of each incentive plan award vested or earned by each NEO during the financial year ended April 30, 2013:

Name	Option-based awards – Value vested during the year (CDN \$) <sup>1</sup>	Share-based awards – Value vested during the year <sup>2</sup>	Non-equity incentive plan compensation – Value earned during the year
<b>Bryan Slusarchuk</b> <i>CEO</i>	N/A	N/A	N/A
<b>Jonathan Richards</b> <i>CFO</i>	N/A	N/A	N/A
<b>Fred Tejada</b> <i>VP Operations and Exploration; President.</i>	N/A	N/A	N/A

<sup>1</sup> Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares. The market price on the date the options granted or vested was less than exercise price.

<sup>2</sup> This amount is the dollar value realized calculated by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

### **Defined Benefit or Actuarial Plan**

The Company does not have a defined benefit or actuarial plan.

### Pension Plan Benefits

The Company does not have any pension or retirement plan.

### Termination and Change of Control Benefits

The Company does not have an employment contract with the NEOs. In addition, there is no compensatory plan, contract or arrangement in place with the NEOs resulting from the resignation, retirement or any other termination of employment of the NEOs with the Company or from a change in control of the Company or a change in the NEOs' responsibilities following a change in control, where in respect of the NEOs the value of such compensation exceeds \$50,000.

### Compensation of Directors

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, except for the granting of incentive stock options from time to time in accordance with the terms of the Company's stock option plan and the policies of the TSX-V. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders. The directors are, however, reimbursed for out-of-pocket expenses incurred on the Company's behalf.

Compensation for the NEOs has been disclosed in the "Summary Compensation Table" above. During the financial year ended April 30, 2013, no options were granted to the directors of the Company.

The following table shows particulars of compensation paid by the company to the non-executive directors of the Company (excluding the NEOs) for the financial year ended April 30, 2013:

Director Name	Fees Earned (\$)	Share-Based Awards <sup>1</sup>	Option-Based Awards <sup>2</sup> (\$)	Non-Equity Incentive Plan Compensation	Pension Value	All Other Compensation	Total (\$)
R. Stuart Angus	Nil	nil	nil	nil	nil	nil	Nil
George Gorzynski	4,200 <sup>3</sup>	nil	nil	nil	nil	nil	4,200
Fred Sveinson	2,800 <sup>4</sup>	nil	nil	nil	nil	nil	2,800
John G. Booth	Nil	nil	nil	nil	nil	nil	Nil
Jeffrey T. Griffin	Nil	nil	nil	nil	nil	nil	Nil

1 The Company does not have any share-based awards.

2 Fair value of the options granted, calculated in accordance with IFRS.

3 Fees paid for geological services.

4 Fees paid to International Mine Builders Inc., a private company owned by Fred Sveinson, for engineering services

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

The following table discloses the particulars of all awards granted during the financial year ended April 30, 2013 to each director who was not a NEO:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options	Option exercise price (CDN \$)	Option expiration date	Value of unexercised in-the-money options <sup>1</sup>	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested
R. Stuart Angus	Nil	N/A	N/A	N/A	N/A	N/A
George Gorzynski	Nil	N/A	N/A	N/A	N/A	N/A
Fred Sveinson	Nil	N/A	N/A	N/A	N/A	N/A
John G. Booth	Nil	N/A	N/A	N/A	N/A	N/A
Jeffrey T. Griffin	Nil	N/A	N/A	N/A	N/A	N/A

<sup>1</sup> The value of unexercised “in-the-money options” is based on the difference between the market value of the Company’s common shares on April 30, 2013 and the exercise price of the options. The closing price of the Company’s shares on the TSX-V on April 30, 2013 was \$0.40.

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

The following table summarizes the value of each incentive plan award vested or earned during the financial year ended April 30, 2013 by each director who is not a NEO:

Name	Option-based awards – Value vested during the year (CDN \$) <sup>1</sup>	Share-based awards – Value vested during the year <sup>2</sup>	Non-equity incentive plan compensation – Value earned during the year <sup>2</sup>
R. Stuart Angus	N/A	N/A	N/A
George Gorzynski	N/A	N/A	N/A
Fred Sveinson	N/A	N/A	N/A
John G. Booth	N/A	N/A	N/A
Jeffrey T. Griffin	N/A	N/A	N/A

<sup>1</sup> Value vested is calculated as the dollar value that would have been realized had the options been exercised on the date they were vested less the related exercise price.

<sup>2</sup> The Company does not have any share based award plans or non-equity based incentive plans.

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

As of the financial year ended April 30, 2013 the Company’s Stock Option Plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Company’s Stock Option Plan as at April 30, 2013:

<b>Plan category</b>	<b>Number of securities to be issued upon exercise of outstanding options (a)</b>	<b>Weighted-average exercise price of outstanding options (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	7,295,000	\$0.65	Nil
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b><i>Total</i></b>	7,295,000		Nil

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

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries other than as set out herein. The term "informed person" as defined in National Instrument 51-102 *Continuous Disclosure* Obligations means a director or executive officer of the Company, or any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

### **INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS**

None of the directors or senior officers of the Company or any associates or affiliates of the Company are or have been indebted to the Company at any time since the beginning of the last completed financial year of the Company.

### **MANAGEMENT, CONSULTING AND PROFESSIONAL SERVICES CONTRACTS**

Except as otherwise disclosed in this Information Circular, management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted. During the financial year ended April 30, 2013, the Company paid or accrued the following:

- a) management/consulting fees of \$150,000 to Skanderbeg Capital Group Ltd., a private company owned by Bryan Slusarchuk, our CEO;
- b) professional fees of \$60,000 to Red Fern Consulting Ltd., a private company owned by Jonathan Richards, our CFO;
- c) professional fees of \$30,000 to Shoni Bernard, our Corporate Secretary;
- d) professional fees of \$4,200 to George Gorzynski, one of our directors;
- e) consulting fees of \$2,800 to International Mine Builders Inc., a private company owned by Fred Sveinson, one of our directors; and
- f) salary of \$165,000 to Fred Tejada, our VP Exploration, VP Operations and President.

## AUDIT COMMITTEE

Pursuant to the provisions of section 224 of the *Business Corporations Act* of British Columbia, and in accordance with the policies of the TSX.V, the Company is required to have an Audit Committee comprised of at least three directors, the majority of which must not be officers or employees of the Company.

The Company must also, pursuant to the provisions of National Instrument 52-110 *Audit Committees* (“NI 52-110”), which came into force on March 17, 2008, have a written charter, which sets out the duties and responsibilities of its audit committee. In providing the following disclosure, the Company is relying on the exemption provided under NI 52-110, which allows for the short form disclosure of the audit committee procedures of venture issuers.

### *Mandate*

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

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

### *Composition*

The Committee is to be comprised of at least three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would reasonably interfere with the exercise of his or her independent judgment as a member of the Committee. At least one member of the Committee should have accounting or related financial management expertise. All members of the Committee that are not financially literate must work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit 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.

### *Meetings*

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

## *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim filings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.
- (c) Confirm that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Company, consistent with the Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors, take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and compensation and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) 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.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (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 of the total amount of fees paid by the Company to its external auditors during the financial 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.

### Financial Reporting Processes

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

### Other

Review any related-party transactions.

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

The following are the members of the Committee:

R. Stuart Angus (Chair)	Independent <sup>1</sup>	Financially literate <sup>1</sup>
John G. Booth	Independent <sup>1</sup>	Financially literate <sup>1</sup>
Fred Sveinson	Independent <sup>1</sup>	Financially literate <sup>1</sup>

<sup>1</sup> As defined by NI 52-110.

## Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

R. Stuart Angus has acted as a director, officer and audit committee member of numerous junior public companies for many years.

John G. Booth is a barrister and solicitor and has acted as a director, officer and audit committee member of several junior public companies for many years.

Fred Sveinson, a professional mining engineer with a degree in economics, has acted as an officer, director and audit committee member of several junior public companies for many years.

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

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

## Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

## External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>1</sup>	Audit Related Fees <sup>2</sup>	Tax Fees <sup>3</sup>	All Other Fees <sup>4</sup>
April 30, 2013	\$37,500	\$Nil	\$2,850	\$Nil
April 30, 2012	\$37,500	\$Nil	\$2,500	\$10,000

<sup>1</sup> Includes services for the annual audit of the Company's financial statements.

<sup>2</sup> Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".

<sup>3</sup> Fees charged for tax compliance services.

<sup>4</sup> Fees for services other than disclosed in any other column.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines adopted in National Instrument 58-201. These guidelines are not prescriptive. Corporate governance relates to the activities of the board of directors (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 Board is of the view that the Company’s general approach to corporate governance, summarized below, is appropriate and substantially consistent with objectives reflected in the guidelines for improved corporate governance in Canada adopted by the Canadian Securities Administrators (the “National Guidelines”).

### **Board of Directors**

#### *Structure and Compensation*

The Board is currently composed of six directors. The National Guidelines suggest that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “unrelated” directors. An “unrelated” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, the National Guidelines suggest that the board of directors should include a number of directors who do not have interests in either the Company or the significant shareholder. Of the proposed nominees, two are considered by the Board to be “unrelated” within the meaning of the TSX-V Guidelines and two are “inside” or management directors and accordingly considered to be “related”. In assessing the TSX-V Guidelines and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

#### *Mandate of the Board*

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the board oversees the management of the Company’s affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources.

#### *Meetings of the Board*

The Board meets quarterly to review, among other things, the performance of the Company. Results are compared and measured against a previously established plan and performance in prior years. The Board also holds a meeting each year to review and assess the Company’s financial budget and business plan for the ensuing year and its overall strategic objectives. This process establishes, among other things, benchmarks against which the Board may measure the performance of management. Other meetings of the Board are

called to deal with special matters as circumstances require.

### **Nomination and Assessment**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

### **Compensation**

The directors decide as a Board its own compensation, based on industry standards and the Company's financial situation. The directors currently do not receive any remuneration for their acting in such capacity.

### **Other Directorships**

The following directors are also currently directors of reporting issuers, other than the Company:

<b>Director</b>	<b>Reporting Issuer</b>
R. Stuart Angus	Wildcat Silver Corp. (TSX-V) Nevsun Resources Ltd. (TSX-V; AMEX) Dynasty Gold Corp. (TSX-V) Santa Fe Minerals Corp. (TSX-V) San Marco Resources Inc. (TSX-V) Yellowhead Mining Inc. (TSX-V)
George Gorzynski	IMPACT Silver Corp. (TSX-V) Berkwood Resources Ltd. (TSX-V) Defiance Silver Corp. (TSX-V)
Fred Sveinson	Cornerstone Metals Inc. (TSX-V) Fire River Gold Corp (TSX-V) Banks Island Gold Ltd. (TSX-V)
John G. Booth	Laramide Resources Ltd. (TSX) Maya Gold & Silver Inc. (TSX-V) Sacre-Coeur Minerals, Ltd. (TSX-V) Midpoint Holdings Ltd. (TSX-V)

### **Other Matters**

The Board has not adopted any formal steps to orient new board members. The Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities' law matters. The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct; but does promote ethical business conduct through the nomination of board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having a majority of its board members independent of corporate matters.

Neither the Company nor the Board has determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. Effectiveness

is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director is informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Company feels its corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## **MATTERS TO BE APPROVED AT THE MEETING**

### **A. Election of Directors**

Although Management is only nominating six (6) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. **Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following table sets out the names of the persons to be nominated for election as directors, the positions and offices which they presently hold with the Company, their respective principal occupations or employments during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Information Circular:

<b>Name and Residence of Proposed Directors and Present Offices Held</b>	<b>Date Elected or Appointed a Director</b>	<b>Principal Occupation</b>	<b>Number of Shares<sup>1</sup></b>
<b>Bryan Slusarchuk</b> Vancouver, B.C. <i>CEO, Director</i>	Nov. 6, 2006	Since November 2006, self-employed consultant. From October 2000 to Nov 2006, investment advisor and senior investment advisor for Canaccord Capital Corporation, Vancouver, B.C.	1,357,900
<b>R. Stuart Angus<sup>3,4</sup></b> Sechelt, B.C. <i>Chairman, Director</i>	Nov. 8, 2006 (Director) Jan. 9/08 (Chairman)	From November 2003 to December 2005 managing director, mergers and acquisitions, Endeavour Financial; currently self-employed as an independent consultant and a director and/or officer of a number of reporting issuers (see "Other Directorships" above).	2,617,500

Name and Residence of Proposed Directors and Present Offices Held	Date Elected or Appointed a Director	Principal Occupation	Number of Shares <sup>1</sup>
<b>George Gorzynski</b> North Vancouver, B.C. <i>Director</i>	April 5, 2007	Self-employed professional engineer and member of the Association of Professional Engineers and Geoscientists of British Columbia (since April 1987); presently a director and/or officer of a number of reporting issuers (see “Other Directorships” above).	1,000,000
<b>Fred Sveinson</b> <sup>3</sup> Richmond, B.C. <i>Director</i>	July 9, 2010	A professional mining engineer and member of the Association of Professional Engineers and Geoscientists of British Columbia. Currently working as General Manager, Mining & Metallurgy for SNC Lavalin. Worked a consultant mining engineer from 2010 to 2013 and as President of Valterra Resource Corporation from 2012 to 2013. Former President and CEO of Merit Mining Corp. (now Huakan International Mining Inc.), from 2004-2010. Director of a few other reporting issuers (see “Other Directorships” above).	515,000
<b>John G. Booth</b> <sup>3,4</sup> London, UK <i>Director</i>	Jan. 3/11	Barrister and Solicitor, Chairman and CEO Midpoint Holdings Ltd. and Partner, Conservation Financial International. Director of a number of other reporting issuers (see “Other Directorships” above).	Nil <sup>2</sup>
<b>Jeffrey T. Griffin</b> Maryland, U.S.A. <i>Director</i>	Feb. 22/12	From November 2001 to September 2010, CEO and President of the Albanian-American Enterprise Fund; From February 2001 until February 2007, Chairman and President of the American Chamber of Commerce, Albania.	Nil

<sup>1</sup> Information as to voting shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective nominees individually.

<sup>2</sup> Mr. Booth is a nominee director of the European Bank for Reconstruction and Development (“EBRD”) and is prohibited by EBRD policy from owning directly or otherwise controlling any shares of the Company.

<sup>3</sup> Member of the Audit Committee.

<sup>4</sup> Member of the Compensation Committee.

The directors and senior officers of the Company as a group (including Jonathan Richards (CFO); Shoni Bernard (Corporate Secretary) and Fred Tejada (VP Operations and Exploration and President)) beneficially own, directly or indirectly, an aggregate of approximately 5,524,400 common shares, which together represents approximately 7.2% of the total votes attached to the Company’s common shares.

The Board does not have an executive committee. The Board presently has two committees, namely, an *Audit Committee* (comprised of R. Stuart Angus (Chair), John G. Booth and Fred Sveinson) and a *Compensation Committee* (comprised of R. Stuart Angus and John G. Booth).

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.

No proposed director:

- (a) is, 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,
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, *except that* R. Stuart Angus was a director of Wildcat Silver Company (“Wildcat”) which requested and received from the British Columbia Securities Commission a management cease trade order (the “MCTO”) on October 30, 2007 in connection with the late filing of its annual audited consolidated financial statements for the fiscal year ending June 30, 2007. The required filing was made on January 7, 2008 and the MCTO was revoked on January 8, 2008;
  - (ii) was the subject of an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) 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, *except that* Fred Sveinson was President and CEO of Merit Mining Corp. (now called Huakan International Mining Inc.) during the period 2004 to 2010 during which Merit Mining Corp. filed for bankruptcy protection (December, 2008), received B.C. Supreme Court approval to its proposal to unsecured creditors (May, 2009); and received Certificate of Full Performance of Proposal from the bankruptcy trustee (June, 2010); or
- (b) 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.

With the exception of John G. Booth and Jeffrey T. Griffin, all of the proposed nominees are resident in Canada.

**B. Appointment of Auditor**

Shareholders will vote for the re-appointment of Davidson & Company LLP, Chartered Accountants, of Suite 1200 – 609 Granville Street, Vancouver, B.C. V7Y 1G6, as Auditor of the Company for the ensuing year, until the close of the next Annual General Meeting at a remuneration to be fixed by the Directors. Davidson & Company LLP were first appointed as auditors for the Company in 2007.

**C. Ratification of Stock Option Plan**

The Company presently has in place a “rolling” stock option plan (the “Plan”) whereby the Company is authorized to grant stock options of up to 10% of its issued and outstanding shares, from time to time. The TSX-V requires listed companies that have “rolling” stock option plans in place to receive shareholder approval to such plan on a yearly basis at the Company’s Annual General Meeting. The directors of the Company wish for shareholders to ratify and approve the Plan.

The material terms of the Plan are as follows:

1. The term of any options granted under the Plan will be fixed by the board of directors at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
2. The exercise price of any options granted under the Plan will be determined by the board of directors, in its sole discretion, but shall not be less than the closing price of the Company's common shares on the day preceding the day on which the directors grant such options, less any discount permitted by the TSX-V to a minimum of \$0.10 per share.
3. No vesting requirements will apply to options granted thereunder, however a four month hold period will apply to all shares issued under each option, commencing from the date of grant.
4. All options will be non-assignable and non-transferable.
5. No more than (i) 5% of the issued shares may be granted to any one individual in any 12 month period; and (ii) no more than 2% of the issued shares may be granted to a consultant, or an employee performing investor relations activities, in any 12 month period.
6. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), as the case may be, then the option granted shall expire on no later than the 30th day following the date that the option holder ceases to be a director or ceases to be employed by the Company, subject to the terms and conditions set out in the Plan. However, if the option holder is engaged in investor relations activities the options must expire immediately after the option holder ceases to be employed by the Company to provide investor relations activities, in accordance with the policies of the TSX-V.
7. Disinterested shareholder approval must be obtained for (i) any reduction in the exercise price of an outstanding option, if the option holder is an insider; (ii) any grant of options to insiders, within a 12 month period, exceeding 10% of the Company's issued shares; and (iii) any grant of options to any one individual, within a 12 month period, exceeding 5% of the Company's issued shares.
8. For stock options granted to employees, consultants or management company employees, the Company represents that the proposed optionee is a bona fide employee, consultant or management company employee, as the case may be.
9. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Company's common shares.

The Plan is subject to receipt of annual TSX-V acceptance to its filing. Shareholders will be asked to consider, and if thought fit to approve a resolution ratifying and approving the Company's existing Plan.

#### **D. Approval of Option Grants**

In addition to the terms of the Plan mentioned above, TSX-V Policy 4.4 requires that a listed company must obtain "disinterested shareholder approval" (such that no insider or proposed insider to whom options may be granted under the stock option plan, or their associates, will be entitled to vote on such resolutions) to:

1. the issuance to any one optionee, within any 12 month period, of a number of options exceeding 5% of the issued shares; and
2. the grant to insiders, within a 12 month period, of a number of options exceeding 10% of the number of issued shares.

It may occur that the Corporation will grant stock options pursuant to the Plan, from time to time during the next 12 months, to insiders that in aggregate will exceed 10% of the Corporation's issued shares. Accordingly, shareholders will be asked to pass resolutions authorizing the directors to implement the above. **Granting the directors the right to issue such options does not mean that the same will occur.** Rather it

allows the directors the flexibility to undertake the same should the circumstances warrant, without the expense of calling another shareholder meeting to specifically approve each issuance.

#### **OTHER MATTERS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Instrument of Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available under the Company's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). The Company's comparative financial statements and management discussion and analysis ("MD&A") for the financial year ended April 30, 2013 are available for review under the Company's profile on SEDAR. Shareholders that wish to receive a copy of the Company's financial statements and MD&A may do so by signing the enclosed financial statement request form and returning it to the Company by: (i) mail to Suite 700, 510 W. Hastings Street, Vancouver, B.C. V6B 1L8; or (ii) fax to (604) 608-9110

#### **APPROVAL**

The content and sending of this Information Circular has been approved by the Company's board of directors. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

**DATED** at Vancouver, B.C., the 13<sup>th</sup> day of November, 2013.

#### **BY ORDER OF THE BOARD**

***"Bryan Slusarchuk"***  
CEO, Director