

Notice of Annual Meeting & Information Circular



10 a.m. Thursday, December 8, 2011

At the offices of Blake, Cassels & Graydon LLP

595 Burrard St., Suite 2600
Vancouver, British Columbia
V7X 1L3

TAGO

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Take notice that the annual meeting (the “**Meeting**”) of shareholders of **TAG Oil Ltd.** (the “**Company**”) will be held at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, on December 8, 2011, at 10:00 a.m., local time, for the following purposes:

A. Annual Meeting Matters

1. To receive the consolidated financial statements of the Company for its fiscal year ended March 31, 2011, and the report of the auditor thereon.
2. To elect directors of the Company for the ensuing year.
3. To appoint an auditor of the Company for the ensuing year and to authorize the directors to fix the auditor’s remuneration.

B. General Matters

1. To consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof.

An Information Circular accompanies and is deemed to form part of this Notice. The Information Circular contains details of matters to be considered at the Meeting. The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company filed with the applicable securities regulatory authorities during the past two years. Additional information is also available free of charge on SEDAR at www.sedar.com.

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Dated at Vancouver, British Columbia, October 24, 2011.

BY ORDER OF THE BOARD



Garth Johnson
Chief Executive Officer

TAG OIL LTD.
2901 – 1050 Burrard Street
Vancouver, B.C. V6Z 2S3

INFORMATION CIRCULAR
as at October 24, 2011

This Information Circular is furnished in connection with the solicitation of proxies by the management of TAG Oil Ltd. (the “Company”) for use at the annual meeting of its shareholders (the “Meeting”) to be held on December 8, 2011, at the time and place and for the purposes set forth in the accompanying notice of the meeting (the “Notice of Meeting”). Except where otherwise indicated, the information contained herein is stated as at October 24, 2011.

In this Information Circular, references to “the Company”, “we” and “our” refer to TAG Oil Ltd. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name, “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares and “intermediaries” refers to brokers, investment firms, clearing houses, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans and similar entities that own securities on behalf of Beneficial Shareholders.

All dollar figures are in Canadian dollars unless stated otherwise.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The instrument of proxy accompanying this Information Circular (the “**Proxy**”) is solicited by and on behalf of the management of the Company. The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying Proxy are the officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.** The only methods by which you may appoint a person as proxy are submitting a Proxy by mail, hand delivery, fax, phone or by way of the Internet, as set out on the accompanying Proxy.

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.



In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

If you are a Registered Shareholder, you may wish to vote by Proxy whether or not you are able to attend the Meeting in person. If you submit a Proxy, you must complete, date and sign the Proxy and then return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by phone at 1-866-732-8683, by way of the Internet at www.investorvote.com, or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to many shareholders of the Company who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the U.S., the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy or voting instruction form supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediaries on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in the U.S. and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company's Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on your voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy, which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners); and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Up until September 2002, issuers (including the directors and officers of the Company) had no knowledge of the identity of any of their beneficial owners including NOBOs. Subject to the provision of National Instrument 54-101, *Communication with Beneficial Owners of Securities of Reporting Issuers* ("NI 54-101"), however, after September 1, 2002, issuers could request and obtain a list of their NOBOs from intermediaries via their transfer agents. Prior to September 1, 2004, issuers could obtain this NOBO list and use it for specific purposes connected with the affairs of the Company except for the distribution of proxy-related materials directly to NOBOs. This was stage one of the implementation of NI 54-101. Effective September 1, 2004, issuers can obtain and use this NOBO list for distribution of proxy-related materials directly (not via Broadridge) to NOBOs. This is stage two of the implementation of NI 54-101.

The Company has decided to continue to take advantage of those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form ("VIF") from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as fully described on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

These shareholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

By choosing to send these shareholder materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Registered Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare or at the head office of the Company at Suite 2901, 1050 Burrard Street, Vancouver, British Columbia, V6Z 2S3 or

at the address of the Company's Attorney for Service in British Columbia at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

- (b) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year end 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, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Company (the "**Board**") has fixed October 24, 2011, as the record date (the "**Record Date**") for determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment thereof. Only Registered Shareholders at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As of October 24, 2011, there were 51,357,284 Common Shares without par value issued and outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

As at the date of this Information Circular, to the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares of the Company, except as follows:

Shareholder Name	Number of Common Shares⁽¹⁾	Percentage of Class
Elliott Associates, L.P.	5,623,800	10.95%

Notes:

- 1) As reported in public filings.

QUORUM; VOTES NECESSARY TO PASS RESOLUTIONS

The Company's Articles provide that a quorum for the transaction of business at any shareholders' meeting is two shareholders or proxyholders present, representing an aggregate of at least 5% of the issued Common Shares entitled to be voted at the shareholders' meeting. If a quorum is not present within one-half hour after the time set for the commencement of the Meeting, the Meeting will be adjourned and set over for one week to the same time and place, and thereupon whatever number of Common Shares is represented shall constitute a quorum.

A simple majority (i.e. 50%) of affirmative votes cast at the Meeting is required to pass an ordinary resolutions of the Company, whereas a special majority (being 66 2/3%) of affirmative votes cast at the Meeting is required to pass a special resolution of the Company. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed.

FINANCIAL STATEMENTS

The audited consolidated financial statements and the related management discussion and analysis of the Company for the year ended March 31, 2011, and the report of the auditor on those statements will be placed before the Meeting.

The audited consolidated financial statements and the report of the auditor, and the related management discussion and analysis are included in the Annual Report for the fiscal year ended March 31, 2011. If the shareholder has previously requested a copy of the annual financial statements and the related management discussion and analysis, such Annual Report will have been mailed to the shareholder, or the shareholder will have received email notification that the financial statements and the related management discussion and analysis for the fiscal year ended March 31, 2011, are available for download without charge from SEDAR at www.sedar.com.

ELECTION OF DIRECTORS

The term of office of each of the four current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual meeting of the Company, or until their successor is elected or appointed.

The Board has set the number of directors to be elected at the Meeting at four. The following table sets out the names of management's nominees for election as directors, their jurisdiction of residence, the offices they hold within the Company, their principal occupations, the period of time during which each has been a director of the Company, and the number of Common Shares of the Company and its subsidiaries beneficially owned by each, directly or indirectly, or over which each nominee exercises control or direction, as at the date of this Information Circular.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

Nominee Position with the Company and Residence⁽¹⁾	Principal Occupation for the Past Five Years⁽¹⁾	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly⁽²⁾
Garth Johnson <i>Chief Executive Officer and Director</i> British Columbia, Canada	Company Executive	April 20, 2001	50,000
Alex Guidi ⁽³⁾⁽⁴⁾ <i>Director</i> British Columbia, Canada	Business Executive and Investor, Self-Employed	December 16, 2009	4,655,939
Keith Hill ⁽³⁾⁽⁴⁾⁽⁵⁾ <i>Director</i> British Columbia, Canada	Business Executive	July 6, 2011	Nil
Ronald Bertuzzi ⁽³⁾ <i>Director</i> British Columbia, Canada	Retired Medical Sales Consultant, EI Rad Services	December 16, 2009	343,356

Notes:

- 1) Information as to residence and principal occupation has been furnished by the respective director individually. See also "Information Regarding Management's Nominees for Election to the Board" below.
- 2) Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually. The directors do not hold shares in any subsidiary of the Company. The information above does not include options convertible into Common Shares.
- 3) Denotes member of Audit Committee.
- 4) Denotes member of Compensation Committee.
- 5) On July 5, 2011, Mr. John Vaccaro resigned from the Board and Mr. Keith Hill was subsequently appointed to the Board on July 6, 2011.

Biographical summaries and other required information about each of the nominees for election as directors are set out below in the section entitled "Information Regarding Management's Nominees for Election to the Board."

Corporate Cease Trade Orders or Bankruptcies

No proposed director of the Company is, as at the date of this Information Circular, or has been, within ten years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days while the proposed director was acting in that capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days 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 which occurred while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director 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 the proposed director 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.

Individual Bankruptcies

No proposed director of the Company 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.

Information Regarding Management's Nominees for Election to the Board

The following biographical information about management's nominees for election to the Board has been supplied by the respective nominees:

Mr. Garth Johnson joined the Company in 1997. Mr. Johnson is a Certified General Accountant who has extensive experience in executive management, acquisitions, development, corporate finance, accounting and regulatory reporting for public companies in the oil and gas industry and has been instrumental in developing junior companies from start-up to listing on the Toronto Stock Exchange ("TSX"), TSX Venture Exchange ("TSX-V") and American Stock Exchange for the last 15 years. Mr. Johnson is also a corporate business executive and has focussed primarily in New Zealand and Papua New Guinea. Currently, Mr. Johnson is the Chief Executive Officer and a director of the Company and has previously served as a director and officer of Trans-Orient Petroleum Ltd. ("**Trans-Orient**"), Austral Pacific Energy Ltd. ("**Austral**") and AMG Oil Ltd. ("**AMG**").

Mr. Alex Guidi is the founder of the Company and has been a director since December 16, 2009. Mr. Guidi has over 30 years of entrepreneurial experience and has enjoyed success in having founded a number of oil and gas companies focused on Western Canada, South America and Australasia. Mr. Guidi was the founder of Indo-Pacific Energy Ltd. (now Austral) ("**Indo-Pacific**"), Trans-Orient, AMG and the Company, which for many years have made, and continue to make, a significant contribution to exploration and development activity in New Zealand and Papua New Guinea's Foreland region. In North America, Mr. Guidi was a founder of Walking Stick Oil and Gas Ltd. which grew into a successful entity with assets in the Williston Basin. Mr. Guidi's extensive career has also involved successful entrepreneurial endeavours in technology and real estate development. Mr. Guidi has previously served as a director and officer of the Company, Indo-Pacific, and AMG.

Mr. Keith Hill has been a director of the Company since July 6, 2011. Mr. Hill is the Chairman and a director of Black Pearl Resources Inc. and ShaMaran Petroleum Corp., and is the CEO and a director of Africa Oil Corp. Mr. Hill is also a director of Tyner Resources Ltd. and Petro Vista Energy Corp. Prior to this, Mr. Hill was instrumental in developing Valkyries Petroleum Corp. and Tanganyika Oil Company Ltd., both highly successful international oil and gas producers which were acquired by major oil companies. Mr. Hill holds a Master of Science degree in Geology and Bachelor of Science degree in Geophysics from Michigan State University, as well as an MBA from the University of St. Thomas in Houston.

Mr. Ronald Bertuzzi has been a director of the Company since December 16, 2009. Mr. Bertuzzi holds a Bachelor of Economics from the University of British Columbia and he has more than 20 years of executive, board and committee experience with U.S. and Canadian junior listed companies focused primarily in the oil and gas industry that are doing business in Australasia. Mr. Bertuzzi's experience covers various stages of company development beginning with initial start-up and initial public offerings, acquiring and exploring significant exploration acreages and ending in discovery, facility development and commercial production of oil and gas. Mr. Bertuzzi has previously served as a director of Trans-Orient and Austral.

The Board does not contemplate that any of its nominees will be unable to serve as a director, but if for any reason that should occur, the persons named in the Proxy shall have the right to use their discretion to vote for a properly qualified substitute.

It is expected that the nominees set forth in this Information Circular will, upon their re-election, continue to serve as directors of the Company until the conclusion of the next annual general meeting of the Company.

COMPENSATION OF EXECUTIVE OFFICERS

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”):

- (a) the Company's chief executive officer (“**CEO**”);
- (b) the Company's chief financial officer (“**CFO**”);
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at March 31, 2011, the end of the most recently completed financial year of the Company, the Company had four Named Executive Officers, whose name and positions held within the Company are set out under “Summary Compensation Table” below.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

The Company's executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives' interests with those of the Company's shareholders.

Compensation Elements

The Company's compensation structure is primarily composed of two components – base salary/bonuses and share options, which are designed to effectively retain and motivate the executive officers and employees to achieve the Company's corporate goals and objectives.

The base salary and bonuses payable to the Company's Chief Executive Officer and other executive officers and employees is determined by the Board according to their understanding as to the amount of compensation that is reasonable in the circumstances. The Board relies on objective criteria when determining compensation to compensate each individual for providing the leadership and specific skills needed to fulfill their responsibilities. These criteria include the attainment of the Company's pre-set objectives for the previous financial year as set out in its business plan and budget, salaries paid to other executive officers in the junior oil and gas industry (although the Board does not benchmark against any specific company or companies but does take into account the overall trend of executive compensation in the junior oil and gas industry), and any advice that may be given by independent advisors and consultants to the Company. Salaries may be increased based upon the individual's performance and contribution or increases in median competitive pay levels. The Company does not have a formal bonus plan, but each year the Board, upon recommendation of the Company's compensation committee, will approve pre-set goals for the ensuing year for bonus payments based on the criteria stated above.

As a junior resource company, share option grants are considered a significant component of the Company's overall compensation strategy in order to appropriately incentivize the NEOs and employees in a manner that is consistent with shareholders' interests. Options are granted to the NEOs and employees under its Share Option Plan.

Option-Based Awards

On December 10, 2010, the Company's shareholders re-approved the share option plan ("**Share Option Plan**") and also a resolution authorizing amendments to the Share Option Plan to: (i) permit the Board to make future amendments to the Share Option Plan in limited, specified circumstances without shareholder approval; (ii) provide for an automatic limited extension of the term of any options to purchase Common Shares ("**Options**") where such term would otherwise expire during or within two business days after a Company-imposed blackout period; (iii) allow the Board discretion with regards to the vesting period for Options granted under the Share Option Plan; and (iv) remove references to the TSX-V and provisions previously inserted into the Share Option Plan in order to comply with the requirements of the TSX-V which no longer apply to the Company. These amendments became effective upon the Company's graduation from the TSX-V to the TSX on July 5, 2011.

The purpose of the Share Option Plan, to which Options may be granted, is to attract and retain directors, executive officers and employees, who will be motivated to work towards ensuring the success of the Company. Proposed grant of Options are submitted to the Board for approval. Prior grant of Options to executive officers are taken into consideration when considering new grants. The Board administers and has the authority to amend the Share Option Plan, subject to applicable shareholder and regulatory approvals.

Summary Compensation Table

The following table is a summary of compensation paid to the NEOs for the three most recently completed financial years ended March 31, 2011, March 31, 2010, and March 31, 2009, respectively:

Name and Principal Position	Year Ended March 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽³⁾	Total compensation (\$) ⁽⁴⁾
					Annual incentive plans	Long-term incentive plans			
Garth Johnson ⁽²⁾ CEO	2011	200,000	Nil	773,343	Nil	Nil	Nil	210,000	1,183,343
	2010	195,192	Nil	143,970	Nil	Nil	Nil	60,000	399,162
	2009	175,000	Nil	Nil	Nil	Nil	Nil	25,000	200,000
Blair Johnson CFO	2011	148,876	Nil	508,130	Nil	Nil	Nil	26,040	683,046
	2010	132,814	Nil	71,985	Nil	Nil	Nil	Nil	204,799
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Drew Cadenhead COO	2011	211,186	Nil	773,343	Nil	Nil	Nil	203,087	1,187,616
	2010	178,457	Nil	143,970	Nil	Nil	Nil	Nil	322,427
	2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Alex Guidi Director	2011	105,833	Nil	536,463	Nil	Nil	Nil	100,000	742,296
	2010	60,000	Nil	Nil	Nil	Nil	Nil	Nil	60,000
	2009	60,000	Nil	Nil	Nil	Nil	Nil	Nil	60,000

Notes:

- 1) The Company uses the Black-Scholes option-pricing model to calculate the fair value of option based awards. The model requires five key inputs: risk free interest rate, exercise price, market price at date of issue, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management.
- 2) Mr. Garth Johnson is also a member of the Board, but no additional compensation is paid to him in respect of his duties as a director.
- 3) All other compensation includes bonuses that are based on the compensation committee's specific recommendations to the Board that stem from the individual's performance and contribution to the Company.
- 4) Option-based award amounts during the year ended March 31, 2011, include both vested and unvested amounts of options granted during the 2011 fiscal year which represent a difference in value of \$1,709,642 as compared to the value of stock-based compensation as disclosed in the Company's annual financial statements for the year ended March 31, 2011. The value of unvested stock options is not included in the calculation of stock-based compensation for the purposes of the preparation of the Company's annual financial statements under Canadian Generally Accepted Accounting Principles. The Company chose this methodology as it is the standard for exploration companies in Canada and has been consistently applied by the Company for valuing option based award by the Company since the fiscal year ended March 31, 2002.

Pension Plan Benefits

The Company has not established any pension plans for directors and executive officers that provide for payments or benefits at, following, or in connection with retirement.

Incentive Plan Awards

Outstanding Share-Based Awards and Options-Based Awards

The following table sets out the option-based awards made by the Company to the NEOs which were outstanding as at March 31, 2011. Further details about the granting of options and the determination of their terms are discussed under “Compensation of Executive Officers - Compensation Discussion and Analysis”.

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Garth Johnson CEO	20,000	3.50	Aug. 2, 2011	64,000	Nil	Nil
	178,571	1.36	Mar. 14, 2013	953,569	Nil	Nil
	75,000	1.25	Oct. 28, 2014	408,750	Nil	Nil
	150,000	2.60	Sept. 9, 2015	615,000	Nil	Nil
	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
Blair Johnson CFO	35,000	1.25	Oct. 28, 2014	190,750	Nil	Nil
	50,000	2.60	Sept. 9, 2015	205,000	Nil	Nil
	100,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
Drew Cadenhead COO	40,000	3.50	Aug. 2, 2011	128,000	Nil	Nil
	128,571	1.36	Mar. 14, 2013	686,569	Nil	Nil
	50,000	1.25	Oct. 28, 2014	272,500	Nil	Nil
	150,000	2.60	Sept. 9, 2015	615,000	Nil	Nil
	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
Alex Guidi Director	125,000	7.15	Feb. 8, 2016	Nil	Nil	Nil

Notes:

- 1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Common Shares as at March 31, 2011, (\$6.70 closing price on the TSX-V) and the exercise price of the Options.

Incentive-Plan Awards – Value Vested or Earned During the Year

Name	Option-based awards – Value vested during the year (\$)⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Garth Johnson <i>CEO</i>	508,500	Nil	Nil
Blair Johnson <i>CFO</i>	218,168	Nil	Nil
Drew Cadenhead <i>COO</i>	508,500	Nil	Nil
Alex Guidi <i>Director</i>	Nil	Nil	Nil

Notes:

- 1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2011, by the difference between the closing price of the Common Shares on the TSX-V on the vesting date and the exercise price of the Options on the vesting date.

Discussion of Plan-Based Awards

During the financial year ended March 31, 2011, the Company granted a total of 825,000 Options to its NEOs pursuant to the Share Option Plan, which includes 350,000 Options that may be exercised at a price of \$2.60 per share and expire on September 9, 2015, and 475,000 Options that may be exercised at a price of \$7.15 per share and expire on February 8, 2016.

The Board administers the Share Option Plan, and as such, all proposed Option grants are submitted to the Board for their approval. In considering new grants, the Board considers prior grants made to directors and executive officers.

Termination and Change of Control Benefits

Other than as disclosed below, there are no contracts, agreements, or arrangements, with respect to any NEO resulting from the resignation, retirement or any other termination of the NEO's employment or from a change of control or from a change in the NEO's responsibilities following a change in control.

On September 1, 2007, the Company entered into an executive employment agreement with Mr. Garth Johnson that provides for a salary of \$150,000 on an on-going basis for his services as the Company's Chief Executive Officer. On February 28, 2008, the annual salary increased to \$175,000. On October 21, 2009, Mr. Johnson's annual salary was increased to \$200,000. The Company may terminate the agreement at any time without cause by providing thirty months' written notice to Mr. Johnson, pay in lieu of such notice (\$1,025,000 plus Option compensation as negotiated), or any combination thereof. Within a twelve month period immediately following a change of control, the agreement is deemed to be terminated and the Company is required to pay Mr. Johnson an amount equal to his base salary for thirty months (\$500,000):

- (a) if the agreement is terminated by the Company without cause after a change of control;
- (b) if Mr. Johnson is placed in a position of lesser stature than that of President and Chief Executive Officer;

- (c) if Mr. Johnson is assigned duties significantly inconsistent with the position of Chief Executive Officer immediately prior to the change of control;
- (d) if Mr. Johnson is assigned performance requirements or working conditions that are at variance with the performance requirements and working conditions in effect immediately preceding the change of control;
- (e) if Mr. Johnson is accorded treatment on a general basis that is in derogation of his status as Chief Executive Officer; or
- (f) any requirement that the location at which Mr. Johnson performs his principal duties is outside a radius of twenty-five miles from the location at which he performs such duties immediately before the change of control.

In addition, all Options held by Mr. Johnson will vest immediately and expire in three months, and the Company will continue to provide all applicable benefits for a period of three months from the date of Mr. Johnson's termination due to a change of control.

On October 1, 2009, the Company entered into an employment agreement with Mr. Drew Cadenhead that provides for compensation for his services to assist with the corporate development, technical and operational matters of the Company as follows:

- (a) NZ\$11,833 per month, payable monthly, from October 1, 2009, to December 31, 2009; and
- (b) NZ\$23,623 per month, payable monthly, for a period of one year commencing January 1, 2010.

The employment agreement may be terminated by the Company or Mr. Cadenhead at any time for any cause or reason, or without any cause or reason, by giving to the other party three months' prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Cadenhead will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (NZ\$70,869). On January 1, 2011, the employment agreement was extended on an ongoing basis.

On November 1, 2009, the Company entered into a consulting agreement with Triomphe Limited ("Triomphe"), under which Mr. Blair Johnson and another individual are engaged as employees to provide corporate accounting services for the Company and receive an aggregate annual salary of NZ\$210,000 on an on-going basis. On May 10, 2010, the annual salary increased to NZ\$230,000, and on February 1, 2011, the annual salary increased to NZ\$270,000. The consulting agreement may be terminated by the Company or Triomphe at any time for any cause or reason, or without any cause or reason, by giving to the other party three months' prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Triomphe will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination (NZ\$67,500).

On October 1, 2007, the Company entered into a consulting agreement with Mr. Alex Guidi under which Mr. Guidi is engaged to provide services on strategic matters for the Company and receive an annual consulting fee of \$60,000 on an on-going basis. On May 1, 2010, the annual consulting fee increased to \$90,000, and on February 1, 2011, the annual consulting fee increased to \$200,000. The consulting agreement may be terminated by the Company or Mr. Guidi at any time for any cause or reason, or without any cause or reason, by giving to the other party one month's prior written notice of such termination and upon the expiry of such notice, the agreement will terminate. In such event, Mr. Guidi will not be entitled to any payment on account of such termination, other than such amounts that are due in respect of the period ending on the date of termination.

DIRECTOR COMPENSATION

Director Compensation Table

The following table is a summary of compensation paid to directors of the Company for the most recently completed financial year ended March 31, 2011:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$)
John Vaccaro	12,000	Nil	364,428	Nil	Nil	Nil	376,428
Ronald Bertuzzi	9,000	Nil	293,545	Nil	Nil	Nil	302,545
Michael Hart	5,000	Nil	78,960	Nil	Nil	Nil	83,960

Notes:

- 1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires five key inputs: risk free interest rate, exercise price, market price at date of issue, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management.

Discussion of Director Compensation

During the financial year ended March 31, 2011, the Company paid Mr. John Vaccaro compensation of \$1,000 per month for his services as a non-executive director, audit committee member and compensation committee member, effective June 11, 2008. Effective December 16, 2009, the Company commenced paying Messrs. Ronald Bertuzzi and Michael Hart compensation of \$500 per month each for their services as non-executive directors and audit committee members and up to \$500 for each Board and audit committee meeting that they attend, which is determined and approved by the Board. Mr. Hart resigned as a director of the Company on October 25, 2010, and Mr. John Vaccaro resigned as a director of the Company on July 5, 2011.

The executive director of the Company does not receive compensation for services provided in his capacity as director, including any fees for serving on the Board or committees thereof or for attending Board meetings.

Outstanding Share-Based Awards and Options-Based Awards

The following table sets out the option-based awards made by the Company to the directors which were outstanding as at March 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 (\$)
John Vaccaro ⁽²⁾	25,000	1.25	Oct. 28, 2014	136,250	Nil	Nil
	50,000	2.60	Sept. 9, 2015	205,000	Nil	Nil
	50,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
Ronald Bertuzzi	50,000	1.26	Oct. 28, 2014	272,000	Nil	Nil
	50,000	2.60	Sept. 9, 2015	205,000	Nil	Nil
	50,000	7.15	Feb. 8, 2016	Nil	Nil	Nil
Michael Hart ⁽³⁾	36,500	1.26	Oct. 28, 2014	198,560	Nil	Nil
	50,000	2.60	Sept. 9, 2015	205,000	Nil	Nil

Notes:

- 1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Common Shares as at March 31, 2011, (\$6.70 closing price on the TSX-V) and the exercise price of the Options.
- 2) Following his resignation as a director of the Company, Mr. John Vaccaro was retained as an employee to provide services on financial matters until January 6, 2013. All of Mr. Vaccaro's outstanding Options expire 90 days (April 7, 2013) after the termination of his employment agreement on January 6, 2013.
- 3) As of the date of this Information Circular, all of Mr. Michael Hart's outstanding Options have expired.

Incentive-based awards – value vested or earned during the year

The following table sets out the aggregate dollar value that would have been realized by each director if he exercised, on the applicable vesting dates, those options held by him under option-based awards, which vested during the most recently completed financial year.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John Vaccaro	218,168	Nil	Nil
Ronald Bertuzzi	169,170	Nil	Nil
Michael Hart	169,170	Nil	Nil

Notes:

- 1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2011, by the difference between the closing price of the Common Shares on the TSX-V on the vesting date and the exercise price of the Options on the vesting date.

APPOINTMENT OF AUDITOR

The management of the Company intends to nominate De Visser Gray LLP (“**De Visser Gray**”) of Vancouver, British Columbia, for re-appointment as auditor of the Company. Proxies given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of De Visser Gray as auditor of the Company to hold office until the close of the next annual general meeting of the Company, at a remuneration to be fixed by the directors. De Visser Gray was first appointed as auditor of the Company on March 17, 2004.

AUDIT COMMITTEE DISCLOSURE

Details regarding the Company's audit committee, including its mandate, are disclosed in the Company's Annual Information Form (“**AIF**”) dated as of July 29, 2011, which is available on SEDAR at www.sedar.com (see section 14.1 of the Company's AIF for additional information on the Audit Committee). The current members of the Company's audit committee are Messrs. Ronald Bertuzzi (Chairman), Keith Hill and Alex Guidi.

CORPORATE GOVERNANCE DISCLOSURE

General

Effective June 30, 2005, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices with respect to corporate governance guidelines that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board understands that good corporate governance improves corporate performance and benefits all shareholders. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

1. Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment and includes the holding of an executive officer position.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Company's financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Messrs. Keith Hill and Ronald Bertuzzi. Mr. Garth Johnson is not an independent member of the Board, as Mr. Johnson is the current Chief Executive Officer of the Company. Mr. Alex Guidi is not an independent member of the Board, as Mr. Guidi receives a consulting fee from the Company to assist with the strategic advice and planning matters of the Company's business. As a result, the Board does not currently have a majority of independent directors. The Company considers its current Board composition to be sufficient given the current state of the Company's business, but is in the process of recruiting an additional independent director to participate on the Board and the audit committee.

2. Directorships

Mr. Keith Hill is the only Board member that is currently a director of other issuers that are a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, which includes ShaMaran Petroleum Corp., Tyner Resources Ltd., Black Pearl Resources Inc., Africa Oil Corp., and Petro Vista Energy Corp.

3. Orientation and Continuing Education

The Board provides ad hoc orientation for new directors. Continuing education opportunities are available to Board members as requested. On occasions where it is considered advisable, the Board will provide directors with information regarding topics of general interest, such as fiduciary duties and continuous disclosure obligations. The Board also ensures that each director is up-to-date with current information regarding the business of the Company, the role the director is expected to fulfill and basic procedures and operations of the Board. Board members are also given access to management and other employees and advisors, who can answer any questions that may arise. Management also updates the Board concerning the status of the Company and, in respect of material transactions, including review of financial statements, provides opportunities for Board review and approval by way of directors' consent resolutions.

4. Ethical Business Conduct

The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Nevertheless, the Company has adopted a formal written code of ethics (the "**Code of Ethics**"), which sets out the ethical and behavioural standards expected of the Company's directors, officers, employees and contractors. These standards include integrity and objectivity, fair dealing and due care, proper use of the Company's assets, property and information and compliance with applicable laws, regulations and rules. The Company will provide a copy of the Code of Ethics, free of charge, upon request to the Company (telephone no.: (604) 682-6496; fax no.: (604) 682-1174). A copy of the Code of Ethics is also available under the Company's profile on SEDAR and may be downloaded without charge at www.sedar.com.

5. Nomination of Directors

The Board has not adopted a formal process for nominating new directors. The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a significant increase in the number of directors required by the Company, this policy will be reviewed.

6. Compensation

As at the date of this Information Circular, the compensation committee consists of Messrs. Alex Guidi (Chairman) and Keith Hill, neither of whom is an officer or employee of the Company or any of its subsidiaries. The compensation committee charter mandates the committee to recommend to the Board the form and amount of compensation to be paid by the Company to directors for service on the Board and on Board committees and to recommend the structure of the Company's compensation programs, both for management and staff, including base salaries, perquisites and long and short-term incentive compensation, including share options. The compensation committee is also mandated to review the performance of the Chief Executive Officer and Chief Financial Officer. A copy of the compensation committee's charter is attached to the Company's Annual Report on Form 20-F dated March 31, 2006, and is incorporated by reference herein and may be downloaded without charge from SEDAR at www.sedar.com.

The compensation committee meets from time to time during the year for the purpose of, among other things, reviewing the overall employee and executive officer compensation program and recommending the approval of any proposed changes to these programs to the Board. The compensation committee makes specific recommendations to the Board on base salaries, bonuses and share option grants. The compensation committee ensures the total compensation package facilitates the attraction and retention of a strong executive management team and employees. The Board reviews all recommendations of the compensation committee relating to compensation matters before final approval.

7. Other Board Committees

The Board has no committees other than the audit and compensation committees. In light of the Company's stage of development and small Board size it considers this to be reasonable.

8. Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board in order to satisfy itself that the Board, committees and individual directors are performing effectively.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has no compensation plans under which equity securities are authorized for issuance, except for the shareholder approved Share Option Plan dated July 5, 2011.

Equity Compensation Plan Information

The following table sets out the equity compensation plan information as of March 31, 2011:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	7,089,998	\$3.81	1,769,558
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	7,089,998	\$3.81	1,769,558

On December 10, 2010, the Company re-approved the Share Option Plan in which the number of Common Shares reserved for issuance as share incentive Options is equal to 10% of the Company's issued and outstanding Common Shares at any time. This is constituted as a "rolling" as opposed to a "fixed number" plan. Any previously granted Options are governed by the Share Option Plan, and if any Options granted expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares will again be available under the Share Option Plan.

The Company's shareholders also approved a resolution authorizing amendments to the Share Option Plan to: (i) permit the Board to make future amendments to the Share Option Plan in limited, specified circumstances without shareholder approval; (ii) provide for an automatic limited extension of the term of any Option where such term would otherwise expire during or within two business days after a Company-

imposed blackout period; (iii) allow the Board discretion with regards to the vesting period for Options granted under the Share Option Plan; and (iv) remove references to the TSX-V and provisions previously inserted into the Share Option Plan in order to comply with the requirements of the TSX-V, which no longer apply to the Company. These amendments became effective upon the Company's graduation from the TSX-V to the TSX on July 5, 2011.

As of the date of this Information Circular, the Company has 51,357,284 Common Shares issued and outstanding. This means that 5,135,728 Common Shares are currently available for Options granted under the Share Option Plan at the date hereof. As a result, the number of Options currently outstanding is 3,215,286, and the number available for grant is 1,920,442.

The Options under the Share Option Plan are non-assignable and non-transferable, and have a term of up to 5 years, terminating within 90 days after the optionee ceases to be associated with the Company. Any previously granted Options are governed by the Share Option Plan, and if any Options granted expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares will again be available under the Share Option Plan. The exercise prices will be set by the Board at the time the Options are granted and cannot be less than the Market Price, which is the closing price of the Common Shares on the TSX for the last market trading day prior to the date of the grant. The Options under the Share Option Plan may be subject to vesting provisions as required by the policies of the TSX, if applicable, and as may otherwise be determined by the Board. Pursuant to the policies of the TSX, the Share Option Plan must be re-affirmed every three years by shareholders.

Details regarding the amendments to the Share Option Plan are disclosed in the Company's Information Circular dated as of October 28, 2010, which is available on SEDAR at www.sedar.com.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, proposed nominee for election as director, executive officer or their respective associates or affiliates, other management of the Company, employees, or former executive officers, directors or employees were indebted to the Company or its subsidiaries as at the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or a subsidiary of the Company or any associate or affiliate of any informed person or proposed director had any material interest, directly or indirectly, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended March 31, 2011, or has any interest in any material transaction in the current year other than as set out below or elsewhere in this Information Circular.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are not, to any substantial degree, performed by anyone other than directors, executive officers or employees of the Company.

OTHER MATTERS

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular. If any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy, subject to instructions on the face of the Proxy to the contrary.



ADDITIONAL INFORMATION

Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial year. Additional information is also available on SEDAR at www.sedar.com and may be downloaded free of charge.

The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company filed with the applicable securities regulatory authorities during the past three years.

SHAREHOLDER PROPOSALS

Pursuant to Canadian law, shareholder proposals to be considered for inclusion in the Information Circular for the 2012 annual meeting of the Company (expected to be held in December 2012) must be received by the Company on or before the close of business on September 10, 2012.

BOARD APPROVAL

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia October 24, 2011.

/s/ Garth Johnson

Garth Johnson

Chief Executive Officer