

**UEX CORPORATION  
INFORMATION CIRCULAR  
AS AT APRIL 21, 2009**

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**PERSONS OR COMPANIES MAKING SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by the management (“**Management**”) of UEX Corporation (the “**Corporation**”) for use, and to be voted at, the annual general meeting of shareholders of the Corporation (the “**Meeting**”) to be held on Thursday, May 21, 2009 at **10:00 a.m., Vancouver time, in the Conference Room, Mezzanine Floor, 808 Nelson Street, Vancouver, British Columbia**, for the purposes set forth in the accompanying Notice of Annual Meeting.

It is expected that the solicitation of proxies will be primarily by mail and may be supplemented by telephone, telegraph or other personal contact made, without special compensation, by the directors and officers of the Corporation. The Corporation may reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals proper authorization to execute proxies. The Corporation may also reimburse brokers and other persons holding shares in their own name or in the names of their nominees for their expenses in sending proxies and proxy material to the beneficial owners, and obtaining their proxies, but solicitations will not be made by employees engaged for that purpose or by soliciting agents. The cost of solicitation will be borne by the Corporation.

**APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the accompanying form of proxy are directors and/or officers of the Corporation and are nominees of Management.

**A SHAREHOLDER OF THE CORPORATION HAS THE RIGHT TO APPOINT A PERSON, OTHER THAN THE PERSON DESIGNATED IN THE ACCOMPANYING FORM OF PROXY (WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, OR OTHERWISE ENTITLED TO ATTEND AND VOTE AT THE MEETING) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER’S BEHALF AT THE MEETING.** A shareholder desiring to appoint some other person may do so either by striking out the printed names and inserting the desired person’s name and address in the blank space provided for that purpose in the accompanying form of proxy or by completing another proper form of proxy.

Each completed form of proxy to be used and voted at the Meeting must be delivered to the transfer agent of the Corporation, Computershare Investor Services Inc., at 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment(s) thereof, or as otherwise permitted in the accompanying form of proxy, failing which it will not be treated as being valid or effective.

Section 148(4) of the *Canada Business Corporations Act* provides that a shareholder giving a proxy has the power to revoke it at any time to the extent that it has not been exercised. In addition to revocation in any other manner permitted by law, a shareholder giving a proxy has the power to revoke it by depositing an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer, or attorney, of the corporation and delivered either to the registered office of the Corporation at any time up to and including the last business day preceding the day of Meeting, or any adjournment(s) thereof, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment(s) thereof at which the proxy is to be used.

## **VALIDITY OF INSTRUMENT OF PROXY**

A proxy or an instrument appointing a duly authorized representative of a corporation shall be in writing, under the hand of the appointor or his or her attorney duly authorized in writing, or, if such appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorized for that purpose.

## **VOTING OF SHARES REPRESENTED BY THE INSTRUMENT OF PROXY AND DISCRETIONARY POWERS**

At the time of printing this Information Circular, Management knows of no amendments, variations or other matters which may be presented for action at the Meeting other than the matters referred to in the accompanying Notice of Annual Meeting.

The shares represented by the accompanying form of proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly on such ballot.

**THE ACCOMPANYING FORM OF PROXY WHEN DULY COMPLETED AND DELIVERED AND NOT REVOKED CONFERS DISCRETIONARY AUTHORITY UPON THE PERSONS NAMED THEREIN WITH RESPECT TO MATTERS WHERE NO CHOICE IS SPECIFIED. WHERE SUCH A PROXY SPECIFIES AS PROXYHOLDER A NOMINEE OF MANAGEMENT, THE SHARES WILL BE VOTED AS IF THE SHAREHOLDER HAD SPECIFIED AN AFFIRMATIVE VOTE.**

## **NON-REGISTERED HOLDERS**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation 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 the 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 CDS Clearing and Depository Services Inc. (“**CDS**”)) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, the form of proxy is not required to be signed by the Non-Registered Holder. In this case, the Non-Registered Holder should otherwise properly complete the form of proxy and deliver it to Computershare Investor Services Inc. as provided above; or
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form.

Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed form of proxy accompanied by a page of instructions, which contains a removable label containing a bar code and other information. In order for the form of proxy to constitute a valid proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

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 one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Management proxyholders and insert the Non-Registered Holder's name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the form of proxy or proxy authorization form is to be delivered.**

### **SHAREHOLDER PROPOSALS**

A shareholder who will be entitled to vote at the 2010 annual general meeting of shareholders of the Corporation and who intends to raise a proposal at such meeting must deliver the proposal to the Corporation no later than January 29, 2010.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Corporation is authorized to issue an unlimited number of common shares without par value, of which 192,403,052 common shares were issued and outstanding as of April 20, 2009, and an unlimited number of preferred shares issuable in series, of which 1,000,000 preferred shares have been designated Series 1 shares, none of which are issued and outstanding.

Any shareholder of record at the close of business on April 20, 2009 will be entitled to vote at the Meeting or any adjournment(s) thereof. A person duly appointed under an instrument of proxy will only be entitled to vote the shares represented thereby if the instrument of proxy is properly completed and delivered and not revoked in accordance with the requirements set out under the heading "Appointment and Revocation of Proxies" in this Information Circular. On a poll every shareholder will have one vote for each common share of which he or she is the registered holder, and may exercise such vote at the Meeting in person or by proxy.

To the best of the knowledge of the directors and executive officers of the Corporation, the only person that beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the outstanding voting rights attached to the Corporation's shares at the date hereof is:

Name	No. of Shares	Percentage of Issued and Outstanding Shares
Cameco Corporation	40,760,669	21.185%

### **ELECTION OF DIRECTORS**

The directors of the Corporation are elected annually and each person so elected will hold office until the next annual meeting of the Corporation unless he or she ceases to hold office pursuant to the *Canada Business Corporations Act*, or his or her office is earlier vacated pursuant to the By-Laws of the Corporation. The number of directors to be elected at the Meeting has been fixed at five. Unless otherwise directed, the persons named as the nominees of Management in the accompanying form of proxy intend to vote for the election of a Board of Directors comprised of the nominees listed below.

Each of the nominees listed below has advised Management that he will be willing to serve as a director if elected. Management does not contemplate that any of the nominees will be unable to stand for election and serve as a

director, but should that circumstance arise for any reason, the persons named in the accompanying proxy may vote for another nominee or nominees in their discretion.

The Corporation is party to an agreement with Pioneer Metals Corporation and Cameco Corporation (“**Cameco**”) dated October 23, 2001 (the “**Cameco Agreement**”) pursuant to which Cameco is entitled to nominate one member of the Board of Directors of the Corporation so long as it holds not less than 10% of the outstanding common shares of the Corporation.

The following table sets out the name, province or state, and country of residence of the persons proposed by Management to be nominated for election as directors, any position with the Corporation now held by them, their present principal occupations, the date upon which each director nominee first became a director of the Corporation and the approximate number of common shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by such director nominee. Such information concerning the respective nominees has been furnished by each of them:

<b>NAME, ADDRESS AND PRESENT OFFICE HELD</b>	<b>PRINCIPAL OCCUPATION</b>	<b>SHARES BENEFICIALLY OWNED OR CONTROLLED</b>	<b>DIRECTOR SINCE</b>
<b>Stephen H. Sorensen</b> British Columbia, Canada <i>President, Chief Executive Officer, acting Chief Financial Officer and a Director</i>	President and Chief Executive Officer of UEX Corporation	3,000,000	Oct. 2/01
<b>Graham C. Thody</b> <sup>(1) (2) (3)</sup> British Columbia, Canada <i>Director and Chairman</i>	Partner of Nemeth Thody Anderson, Chartered Accountants from 1979 until 2007. Director of several reporting companies from 1989 to present.	20,000	Oct. 2/01
<b>Colin C. Macdonald</b> <sup>(2) (3) (4) (5)</sup> Saskatchewan, Canada <i>Director</i>	Vice-President, Exploration, Cameco Corporation	nil	Nov. 8/01
<b>Suraj P. Ahuja</b> <sup>(1) (2) (4)</sup> British Columbia, Canada <i>Director</i>	Geological Consultant, SKAN Consulting Inc.	nil	Aug. 25/04
<b>Mark P. Eaton</b> <sup>(1) (3) (4)</sup> Ontario, Canada <i>Director</i>	Private Investor	349,500	Mar. 25/08

Note:

- (1) Member of the Audit Committee
- (2) Member of the Nominations Committee
- (3) Member of the Compensation Committee
- (4) Member of the Corporate Governance Committee
- (5) Nominee of Cameco Corporation

No proposed director of the Corporation is, or, within the ten years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any issuer that:

- (a) while such person was acting in that capacity, was the subject of a cease trade or similar order, or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days, except the following: Graham C. Thody was a director of Scaffold Connection Corporation, a publicly-traded company that was the subject of a cease trade order from June 9, 2000 to December 19, 2000;

- (b) was subject to an event that resulted, after such person ceased to be a director, chief executive officer or chief financial officer, in the issuer being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

No proposed director of the Corporation, is or has been within the ten years before the date of this Information Circular, a director or executive officer of any issuer that, while that person was acting in such 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, except the following: Graham C. Thody was a director of Scaffold Connection Corporation, a publicly-traded company that was granted protection under the *Companies' Creditors Arrangement Act* on December 23, 1999. Scaffold Connection Corporation subsequently declared bankruptcy within one year of the date of resignation by Graham C. Thody as a director; or

No proposed director of the Corporation, is or has, within the ten 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 that individual.

No proposed director of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

#### **APPOINTMENT OF AUDITORS**

Shareholders will be asked at the Meeting to approve the reappointment of KPMG LLP, Chartered Accountants, of 777 Dunsmuir Street, Vancouver, British Columbia, V7Y 1K3 (“**KPMG**”), as the auditors of the Corporation until the next annual general meeting of the Corporation and to authorize the Board of Directors to fix the remuneration payable to the auditors. KPMG were first appointed auditors of the Corporation in April 2002.

Unless otherwise directed, the persons named as nominees of Management in the accompanying form of proxy intend to vote for the reappointment of KPMG as auditors of the Corporation.

#### **APPROVAL OF OPTION RE-PRICING**

The recent downturn in global financial markets has resulted in a significant drop in the trading price of the Corporation’s shares on the Toronto Stock Exchange (“**TSX**”), resulting in outstanding stock options having exercise prices which no longer offer an adequate incentive to directors, officers, employees or other service providers. Since the granting of stock options represent a key element of the Corporation’s compensation policy, the Board is of the view that it is in the best interests of the Corporation to re-price certain outstanding stock options to be more in line with the current market price of the Corporation’s shares.

At a meeting held December 22, 2008, the Board passed a resolution re-pricing 3,375,000 options previously granted on June 25, 2008 with an exercise price of \$4.22 to \$0.52, the closing price of the Corporation’s shares on the TSX that day. This resolution was passed subject to shareholder approval as required under the policies of the TSX.

The following table sets out the options to be re-priced:

<b>OPTIONHOLDERS</b>	<b>EXERCISE PRICE BEFORE RE-PRICING</b>	<b>EXPIRATION DATE</b>	<b>NO. OF SHARES UNDER OPTION</b>
Stephen Sorensen, <i>President, Chief Executive Officer, acting Chief Financial Officer and a Director</i>	\$4.22	June 25, 2018	1,500,000
Graham Thody, <i>Director and Chairman</i>	\$4.22	June 25, 2018	500,000
Suraj Ahuja, <i>Director</i>	\$4.22	June 25, 2018	375,000
Mark Eaton, <i>Director</i>	\$4.22	June 25, 2018	375,000
Sierd Eriks, <i>Vice-President Exploration</i>	\$4.22	June 25, 2018	375,000
Louie Zioulas, <i>Vice-President Finance and Corporate Secretary</i>	\$4.22	June 25, 2018	375,000
<b>Total held by Insiders:</b>	<b>N/A</b>	<b>N/A</b>	<b>3,000,000</b>
Other Consultants and Service Providers	\$4.22	June 25, 2011	375,000
<b>Total:</b>	<b>N/A</b>	<b>N/A</b>	<b>3,375,000</b>

Disinterested shareholders of the Corporation will be asked to vote on the following ordinary resolutions to approve the re-pricing at the Meeting:

“BE IT RESOLVED, as an ordinary resolution of the disinterested shareholders that:

1. subject to TSX approval, the re-pricing of all of the Corporation’s issued and outstanding options with an exercise price of \$4.22 to \$.052, being the closing price of the Corporation’s shares on December 22, 2008, as more particularly described in the Corporation’s Information Circular dated April 21, 2009, is hereby ratified and approved; and
2. any one director or any one officer is hereby authorized to do all such things and execute all such documents as may be necessary or desirable to give effect to the foregoing resolution.”

The passage of the foregoing ordinary resolution requires the affirmative vote of a simple majority of votes cast by those disinterested shareholders of the Corporation who, being entitled to do so, vote in person or by proxy on the resolutions. Insiders holding options subject to re-pricing, as identified in the above table, and associates of such insiders shall be excluded from voting on the foregoing resolution. It is anticipated that 3,397,100 common shares (representing 1.77% of the issued capital of the Corporation) will be excluded from voting.

## STATEMENT OF EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

The Compensation Committee is responsible for establishing Management compensation based on the Board of Directors' evaluation of Management performance. It is the responsibility of the Compensation Committee to ensure Management compensation is competitive so as to enable the Corporation to continue to attract talented individuals. During 2008, the Compensation Committee was comprised of three independent directors, Mark Eaton, Graham Thody and Colin Macdonald.

It is the policy of the Compensation Committee to compensate Management for performance using the following forms of remuneration: base salary, bonuses and stock option grants. Base salary is determined largely by reference to market conditions, while annual incentive stock option awards provide the opportunity for enhanced share value based upon performance and the overall success of the Corporation in any given year. The Compensation Committee does not have a pre-determined, performance-based compensation plan, but rather reviews the performance of the Named Executive Officers (as defined below) at the end of each fiscal year.

The Compensation Committee believes that the salary and bonuses paid to each of the executive officers during the last fiscal year was commensurate with their position, their experience and salaries paid by comparable companies. In considering comparable companies, the Compensation Committee considered, among other things, the industry in which the Corporation operates, the competitive landscape for hiring executives within this industry, the public nature of the Corporation, the market capitalization of the Corporation and the responsibilities of each of the executive officers.

### Performance Graph

The common shares of the Corporation commenced trading on the TSX on July 17, 2002 under the symbol "UEX". The following chart compares the total cumulative shareholder return for CDN\$100 invested in common shares of the Corporation on December 31, 2003, with the cumulative total return of the S&P/TSX Composite Index (formerly the TSE 300 Composite Index) for the period from December 31, 2003 to December 31, 2008. The common share performance as set out in the graph does not necessarily indicate future price performance.



	<u>Dec. 2003</u>	<u>Dec. 2004</u>	<u>Dec. 2005</u>	<u>Dec. 2006</u>	<u>Dec. 2007</u>	<u>Dec. 2008</u>
S&P/TSX Composite Index .....	\$100.00	\$112.48	\$137.12	\$157.02	\$168.27	\$109.33
UEX Corporation .....	\$100.00	\$564.10	\$1,158.97	\$1,441.03	\$1,694.87	\$169.23

## Option-Based Awards

The Compensation Committee oversees all administrative requirements of the Corporation's stock option plan (the "**Option Plan**") and, subject to confirmation by the Board, approves the granting of options under the Option Plan. Among other considerations, the Board and the Compensation Committee review and consider all outstanding options in determining whether it is desirable to grant additional options to directors and officers of the Corporation.

The Compensation Committee is responsible for reviewing the Option Plan and recommending any amendments which they may consider necessary to the Board for consideration. While the Compensation Committee is comprised entirely of independent directors, they may consult with the Chief Executive Officer and others in reviewing and considering possible amendments to the Option Plan.

As a result of the recent downturn in global financial markets, the trading price of the Corporation's shares on the TSX experienced a significant decline, resulting in outstanding stock options having exercise prices which no longer offer an adequate incentive to directors, officers, employees or other service providers. It was determined that it was in the best interests of the Corporation to re-price certain options in order to continue to provide an effective incentive to optionholders. At a meeting held December 22, 2008, the Board passed a resolution re-pricing 3,375,000 options previously granted with an exercise price of \$4.22 to \$0.52, the closing price of the Corporation's shares on the TSX that day. This resolution was passed subject to shareholder approval as required under the policies of the TSX. See above under "Approval of Option Re-Pricing".

## Summary Compensation Table

Particulars of compensation paid to:

- (a) the Corporation's chief executive officer ("**CEO**") and chief financial officer ("**CFO**"), or persons who acted in a similar capacities;
- (b) each of the Corporation's three most highly compensated executive officers (or the 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 more than \$150,000 for that financial year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) except that the individual was not serving as an executive officer (nor acting in a similar capacity) of the Corporation at the end of the most recently completed financial year;

(each a "**Named Executive Officer**" or "**NEO**") is set out in the summary compensation table below. For the fiscal year ended December 31, 2008 the Corporation had three Named Executive Officers, being Stephen H. Sorensen, President, Chief Executive Officer and acting Chief Financial Officer, R. Sierd Eriks, Vice-President Exploration, and E. Louie Zioulas, Vice-President Finance and Corporate Secretary.

Name and principal position (a)	Year (b)	Salary (\$) (c)	Share-based awards (\$) (d)	Option-based awards <sup>(1)</sup> (\$) (e)	Non-equity incentive plan compensation (\$) (f)		Pension value (\$) (g)	All other compensation (\$) (h)	Total compensation (\$) (i)
					Annual incentive plans (f1)	Long-term incentive plans (f2)			
<b>Stephen H. Sorensen</b> President, Chief Executive Officer, Director and acting Chief Financial Officer	2008	\$315,000	N/A	\$3,707,833 <sup>(2)</sup>	N/A	N/A	N/A	\$648	\$4,023,481
<b>R. Sierd Eriks</b> Vice-President Exploration	2008	\$126,000	N/A	\$1,155,245 <sup>(3)</sup>	N/A	N/A	N/A	\$nil	\$1,281,245
<b>E. Louie Zioulas</b> Vice-President Finance and Corporate Secretary	2008	\$125,000	N/A	\$881,342 <sup>(4)</sup>	N/A	N/A	N/A	\$nil	\$1,006,342

<sup>(1)</sup> Amount is based on the grant date fair value of the award for a financial year using the Black-Scholes option pricing model with the following weighted-average assumptions: Volatility – 69%; Risk-free interest rate – 3.0%; Dividend yield – nil%; and Expected life of options – 3 years.

<sup>(2)</sup> During 2008, Mr. Sorensen voluntarily cancelled 2,500,000 stock options granted in prior years. The effect of these cancellations on compensation from option-based awards during 2008, included above, was a reduction of \$90,455.

<sup>(3)</sup> During 2008, Mr. Eriks voluntarily cancelled 1,375,000 stock options granted in 2007. The effect of these cancellations on compensation from option-based awards during 2008, included above, was a reduction of \$54,753.

<sup>(4)</sup> During 2008, Mr. Zioulas voluntarily cancelled 475,000 stock options granted in prior years. The effect of these cancellations on compensation from option-based awards during 2008, included above, was a reduction of \$16,144.

No other compensation was paid or payable by the Corporation and its subsidiaries to any Named Executive Officer for acting in any capacity with relation to the Corporation.

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

The following table summarizes all share-based and option-based awards to NEOs outstanding as at December 31, 2008:

Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
<b>Stephen H. Sorensen</b> President, Chief Executive Officer, Director and acting Chief Financial Officer	1,000,000	\$3.56	September 1, 2016	\$nil	N/A	N/A
	1,500,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil		
	1,500,000	\$1.20	September 17, 2018	\$nil		
<b>R. Sierd Eriks</b> Vice-President Exploration	375,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil	N/A	N/A
	825,000	\$1.20	September 17, 2018	\$nil		
<b>E. Louie Zioulas</b> Vice-President Finance and Corporate Secretary	99,700	\$1.80	July 3, 2015	\$nil	N/A	N/A
	250,000	\$3.56	September 1, 2016	\$nil		
	375,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil		
	285,000	\$1.20	September 17, 2018	\$nil		

<sup>(1)</sup> Subject to shareholder approval at the Meeting, these options were re-priced by the Board at a meeting held December 22, 2008 to \$0.52, the closing price of the Corporation's shares on the TSX that day. See above under "Approval of Option Re-Pricing."

#### Value Vested or Earned During the Year

The following table summarizes the value vested or earned on incentive plan awards for all NEOs during the fiscal year ended December 31, 2008:

Name (a)	Option-based awards – Value vested during the year (\$) (b)	Share-based awards – Value vested during the year (\$) (c)	Non-equity incentive plan compensation – Value earned during the year (\$) (d)
<b>Stephen H. Sorensen</b> President, Chief Executive Officer, Director and acting Chief Financial Officer	\$nil	N/A	N/A
<b>R. Sierd Eriks</b> Vice-President Exploration	\$126,667	N/A	N/A
<b>E. Louie Zioulas</b> Vice-President Finance and Corporate Secretary	\$59,333	N/A	N/A

## Pension Plan Benefits

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

## Termination of Employment, Change in Responsibilities and Employment Contracts

Except as disclosed below, there are no compensatory plans, contracts or arrangements in place with any Named Executive Officer resulting from the resignation, retirement or any other termination of employment of the Named Executive Officer with the Corporation or from a change in control of the Corporation or a change in the Named Executive Officer's responsibilities following a change in control, where the value of such compensation, including periodic payments or instalments, exceeds \$100,000.

The Corporation has entered a Management agreement with Stephen H. Sorensen (the "Management Agreement") under which Mr. Sorensen acts as the President, Chief Executive Officer and a director of the Corporation. Under the Management Agreement Mr. Sorensen is entitled to a base salary of \$315,000 per annum commencing January 1, 2007. This base salary is subject to annual review. In addition, Mr. Sorensen is entitled to participate in any executive incentive bonus plans and is entitled to receive options at the discretion of the Board of Directors. The Management Agreement may only be terminated for cause or on death of the employee without payment of the termination benefits described below. In the event of a change of control of the Corporation, the employee may elect to terminate the agreement and the Corporation shall pay to him termination benefits consisting of an amount equal to three times the annual salary and any guaranteed bonus at that time. In addition, all stock options held by Mr. Sorensen in the Corporation will become immediately vested and all other employee benefits will continue for a period of three years or, if it is not possible to continue such benefits, Mr. Sorensen shall be entitled to an amount sufficient to enable him to procure comparable benefits.

A change of control is defined as one or more persons acquiring jointly or in concert, directly or indirectly, more than 50% of the voting securities of the Corporation, the amalgamation, merger or arrangement of the Corporation with or into another where the shareholders of the Corporation immediately prior to the transaction will hold less than 51% of the voting securities of the resulting entity or a sale of all or substantially all of the assets of the Corporation.

Mr. Sorensen may terminate the agreement on three months written notice.

## Director Compensation

The following table sets forth the compensation provided to the directors of the Corporation for their services during the fiscal year ended December 31, 2008:

Name (a)	Fees earned (\$) (b)	Share-based awards (\$) (c)	Option-based awards <sup>(1)</sup> (\$) (d)	Non-equity incentive plan compensation (\$) (e)	Pension value (\$) (f)	All other compensation (\$) (g)	Total (\$) (h)
Graham C. Thody	\$nil	N/A	\$1,140,731 <sup>(2)</sup>	N/A	N/A	\$nil	\$1,140,731
Colin C. Macdonald	\$nil	N/A	\$nil	N/A	N/A	\$nil	\$nil
Mark P. Eaton	\$nil	N/A	\$3,144,373 <sup>(3)</sup>	N/A	N/A	\$nil	\$3,144,373
Suraj P. Ahuja	\$nil	N/A	\$896,547 <sup>(4)</sup>	N/A	N/A	\$nil	\$896,547

<sup>(1)</sup> Amount is based on the grant date fair value of the award for a financial year using the Black-Scholes option pricing model with the following weighted-average assumptions: Volatility – 69%; Risk-free interest rate – 3.0%; Dividend yield – nil%; and Expected life of options – 3 years.

<sup>(2)</sup> During 2008, Mr. Thody voluntarily cancelled 525,000 stock options granted in prior years. The effect of these cancellations on compensation from option-based awards during 2008, included above, was a reduction of \$18,301.

<sup>(3)</sup> During 2008, Mr. Eaton voluntarily cancelled 1,000,000 stock options granted on March 25, 2008. The grant-date fair value these stock options, included in compensation from option-based awards during 2008, was \$2,114,690, and the effect of the cancellation on compensation from option-based awards during 2008 was a reduction of \$50,102.

<sup>(4)</sup> During 2008, Mr. Ahuja voluntarily cancelled 525,000 stock options granted in prior years. The effect of these cancellations on compensation from option-based awards during 2008, included above, was a reduction of \$18,301.

No remuneration was paid to the current directors of the Corporation, in their capacity as directors, for the fiscal year ended December 31, 2008 and there are no agreements or arrangements with any directors of the Corporation in respect of cash compensation in their capacity as directors, other than incentive stock options.

The following table summarizes all share-based and option based awards to directors outstanding as at December 31, 2008:

Name (a)	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) (b)	Option exercise price (\$) (c)	Option expiration date (d)	Value of unexercised in-the-money options (\$) (e)	Number of shares or units of shares that have not vested (#) (f)	Market or payout value of share-based awards that have not vested (\$) (g)
Graham C. Thody	156,500	\$0.08	September 13, 2013	\$90,770	N/A	N/A
	300,000	\$0.84	June 30, 2014	\$nil		
	175,000	\$2.75	February 28, 2015	\$nil		
	200,000	\$3.56	September 1, 2016	\$nil		
	500,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil		
	315,000	\$1.20	September 17, 2018	\$nil		
Mark P. Eaton	375,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil	N/A	N/A
	600,000	\$1.20	September 17, 2018	\$nil		
Suraj P. Ahuja	575,000	\$0.95	August 25, 2014	\$nil	N/A	N/A
	200,000	\$3.56	September 1, 2016	\$nil		
	375,000	\$4.22 <sup>(1)</sup>	June 25, 2018	\$nil		
	315,000	\$1.20	September 17, 2018	\$nil		

<sup>(1)</sup> Subject to shareholder approval at the Meeting, these options were re-priced by the Board at a meeting held December 22, 2008 to \$0.52, the closing price of the Corporation's shares on the TSX that day. See above under "Approval of Option Re-Pricing."

The following table summarizes the value vested or earned on incentive plan awards for all directors during the fiscal year ended December 31, 2008:

<b>Name</b> <b>(a)</b>	<b>Option-based awards – Value vested during the year</b> <b>(\$)</b> <b>(b)</b>	<b>Share-based awards – Value vested during the year</b> <b>(\$)</b> <b>(c)</b>	<b>Non-equity incentive plan compensation – Value earned during the year</b> <b>(\$)</b> <b>(d)</b>
Graham C. Thody	\$nil	N/A	N/A
Colin C. Macdonald	\$nil	N/A	N/A
Mark P. Eaton	\$nil	N/A	N/A
Suraj P. Ahuja	\$nil	N/A	N/A

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

#### **Equity Compensation Plan Information**

The Corporation has adopted the Option Plan to allow the Corporation to grant incentive stock options to its directors, officers, employees and consultants of the Corporation or its subsidiaries and affiliates. The Option Plan was approved by the shareholders of the Corporation on January 15, 2002. The Option Plan was amended by shareholders of the Corporation on June 30, 2005 to provide that the maximum number of common shares of the Corporation issuable under the Option Plan be a rolling number equal to 10% of the issued and outstanding common shares of the Corporation from time to time, and was further amended on June 26, 2007 to align with the rules and policies of the TSX regarding stock option plan amendments and limited option term extensions in specified circumstances.

The following table sets forth as at the year ended December 31, 2008 the number of securities authorized for issuance under the Option Plan.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> <b>(a)</b>	<b>Weighted average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plan (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by security holders	11,051,200	\$2.65	7,319,105
Equity compensation plans not approved by security holders	nil	\$nil	nil
Total	11,051,200	N/A	7,319,105

The following is a brief description of the material provisions of the Option Plan:

**Eligible participants under the Option Plan:** Persons eligible to participate under the Option Plan are directors, officers, key employees and others providing services (except for investor relations activities) to the Corporation or any of its subsidiaries.

**The maximum percentage of common shares that any one person is entitled to receive under the Option Plan:** The number of common shares reserved for issuance to any one person pursuant to options granted under the Option Plan (together with those common shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) shall not exceed 5% of the issued and outstanding common shares.

**The maximum percentage of common shares that insiders are entitled to receive under the Option Plan:** The number of common shares issuable to all insiders of the Corporation pursuant to options granted under the Option Plan (together with those common shares which may be issued pursuant to any other employee-related plan of the Corporation or options for services granted by the Corporation) shall not exceed 10% of the issued and outstanding common shares on a non-diluted basis from time to time and shall not exceed 10% of the issued and outstanding common shares on a non-diluted basis within a one-year period.

**The method of determining the exercise price for common shares under the Option Plan:** The exercise price of an option will be determined by the Board of Directors when the option is granted and shall not be less than the closing market price of the common shares on the TSX on the date prior to the grant of the option, or, if the common shares do not trade on the day prior to such grant, shall not be less than the average of the closing bid and ask price as reported by the TSX on such date.

**Vesting of options:** Options shall vest as the Board determines, in its discretion.

**Term of options:** Options shall expire on the expiration date determined by the Board, and must be exercised, if at all, on or before the expiration date. In no event shall the expiration date be more than ten years after the date of grant provided that such period will be automatically extended for 10 business days if the expiration date falls during or within 2 business days of a blackout period. Any shares not purchased prior to the expiration of an option granted under the Option Plan may thereafter be reallocated in accordance with the Option Plan.

**Termination or death of an eligible person:** Notwithstanding the exercise period set forth in an option certificate, exercise of options will always be subject to the following:

- (a) If an optionee dies while employed by the Corporation, any option held by him at the date of death shall become exercisable in whole or in part by the person(s) to whom the optionee's rights under the options shall pass by the optionee's will or the laws of descent and distribution. All such options shall be exercisable for a period of time expiring on the earlier of (i) the regular expiration of the option period in respect thereof; and (ii) six (6) months or such other period as the Board of Directors shall have determined at the time of the grant of the option.
- (b) If an optionee ceases to be employed by the Corporation or ceases to hold office as a director, in either case for any reason whatsoever, any options or the unexercised portion thereof granted to such optionee shall terminate forthwith or on such date as the Board of Directors shall have determined at the date of grant of the option.

**Assignability of options:** Options granted under the Option Plan may not be transferred or assigned in any manner other than by will or by the applicable laws of descent.

**Amendment or termination of the Plan:** Subject to applicable securities laws and the rules and policies of the TSX, the Board may amend the Option Plan in certain circumstances without shareholder approval including the following:

- (a) formal minor or technical modifications to any of the provisions of the Option Plan;
- (b) corrections of any ambiguity, defective provision, error or omission in the provisions of the Option Plan;
- (c) changes to the vesting provisions of options;

- (d) changes to the termination provisions of options which do not entail an extension beyond the original expiry date of the options, unless as a result of a blackout period extension;
- (e) additions of a cashless exercise feature to the Option Plan which provides for the payment in cash or securities on exercise of options and which provide for a full deduction of the number of shares from the Option Plan reserve in such case; and
- (f) the addition of, or changes to, provisions relating to any form of financial assistance provided by the Corporation to participants that would facilitate the purchase of shares under the Option Plan,

provided, however, that no such amendments may be made without the consent of each affected participant in the Option Plan if the amendment would adversely affect the rights of such affected participant. In addition, shareholder approval is specifically required for any amendment that results in (i) an increase in the percentage or number of common shares issuable under options granted under the Option Plan; (ii) a reduction in the exercise price of an option granted to an insider; (iii) the cancellation and reissuance of any option; (iv) an extension of the term of an option granted under the Option Plan benefiting an insider of the Corporation; or (v) options becoming transferable or assignable other than for normal course estate settlement purposes.

**Mergers, reorganizations, subdivisions, consolidations or changes in capital structure:** The Option Plan provides that in the event of a subdivision or consolidation of the shares of the Corporation, then the number of common shares issuable under the Option Plan, the number of common shares subject to outstanding options and the exercise prices of outstanding options will be proportionately adjusted. Similarly, in the event of a reorganization, amalgamation, merger or change in control of the Corporation, the board may make such provisions as it deems appropriate for the exercise of outstanding options or continuance of outstanding options to prevent any proportionate increase or decrease in the number of common shares issuable on their exercise. If a bona fide offer is made to an optionee or to shareholders generally or to a class of shareholders which includes an optionee for shares of the Corporation, which offer, if accepted in whole or in part, would result in the offeror exercising control over the Corporation, then the Corporation shall, immediately upon receipt of notice of the offer, notify each optionee currently holding an option of the offer, whereupon such option may be exercised in whole or in part by the optionee so as to permit the optionee to tender the shares received upon such exercise pursuant to the offer. If the offer is not completed within the time specified therein, at the option of the optionee, the optioned shares may be returned by the optionee to the Corporation and reinstated as authorized but unissued shares and the terms of the option as set forth in the Option Plan shall again apply to the option.

As at April 20, 2009, there are 11,051,200 options issued and outstanding under the Option Plan, representing 5.74% of the Corporation's issued and outstanding capital.

#### **MANAGEMENT CONTRACTS**

There are no contracts with third parties for the provision of Management services to the Corporation.

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

Except as set forth below, no director or executive officer, past, present or nominated, or any person on behalf of whom this solicitation is made or any associate or affiliate of such persons, has any interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, except as disclosed herein or to the extent that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation. At the Meeting, disinterested shareholders will be asked to approve, by ordinary resolution, the re-pricing of stock options granted to certain directors and officers of the Corporation. Accordingly, these directors and officers are considered to have an interest in this item of business. See above under "Approval of Option Re-Pricing"

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE CORPORATION**

No director or executive officer of the Corporation, proposed nominee for election as a director of the Corporation or any associate or affiliate of any such director, executive officer or proposed nominee is or has been indebted to the Corporation at any time during the Corporation's last completed financial year, other than routine indebtedness.

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

No insider, proposed nominee for election as a director of the Corporation or any associate or affiliate of such insider or proposed nominee, have had any material interest, direct or indirect, in any material transaction of the Corporation since the commencement of the Corporation's last completed financial year, which has materially affected or will materially affect the Corporation or any of its subsidiaries, save and except that directors and employees may be granted stock options in accordance with the Corporation's approved Option Plan.

## **DIRECTORS AND OFFICERS INSURANCE**

The Corporation subscribes to a Directors and Officers Liability and Corporate Reimbursement Insurance Policy to a limit of \$10,000,000 per claim, and per annual policy period, at a premium of \$34,700 per policy period. The policy insures the Corporation against any wrongful act committed by its Directors and Officers, including any actual or alleged defamation, breach of duty, neglect, error, misstatement, misrepresentation, omission or other act done or attempted by the Directors and Officers of the Corporation in their capacity to act for the Corporation.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The Board of Directors and senior Management of the Corporation consider good corporate governance to be central to the effective operation of the Corporation. As part of the Corporation's commitment to effective corporate governance, the Board of Directors, with the assistance of the Corporate Governance Committee, monitors changes in legal requirements and best practices.

The Canadian Securities Administrators have adopted National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (the “**Guidelines**”), both of which came into force on June 30, 2005 and effectively replaced the Corporate Governance Guidelines of the TSX.

The Corporation has reviewed its own corporate governance practices in light of the Guidelines. At its meeting on March 23, 2007, the Board of Directors approved a new set of corporate governance policies and procedures, including a mandate for the Board of Directors, charter documents for the various committees of the Board of Directors and a Code of Corporate Ethics and Conduct. Set out below is a description of certain corporate governance practices of the Corporation, as required by NI 58-101.

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

The primary responsibility of Corporation's Board of Directors is to foster the long-term success of the Corporation, consistent with the objective of enhancing shareholder value. The Board's mandate is to set long-term goals and objectives for the Corporation, to formulate the plans and strategies necessary to achieve those objectives and to supervise the Corporation's senior Management in their implementation. Although the Board has delegated to senior Management personnel the responsibility for managing the day to day affairs of the Corporation, the Board retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Corporation and its business.

The Board of Directors is responsible for reviewing the overall governance principles of the Corporation, recommending any changes to these principles and monitoring their disclosure. The Board annually reviews and, where appropriate, adjusts the statement of corporate governance practices included in the Corporation's Management proxy circular.

A copy of the Mandate of the Board of Directors is attached to this Information Circular as Appendix “A”.

## Composition of the Board of Directors

NP 58-201 recommends that the Board of Directors of a reporting issuer be composed of a majority of independent directors. During the most recently completed financial year, each of Graham Thody, Mark Eaton, Colin Macdonald and Suraj Ahuja, comprising a majority of the board, were “independent” within the meaning of the Guidelines. Stephen Sorensen is not considered independent under the Guidelines as he is the President and Chief Executive Officer of the Corporation. If all of the persons named as nominees of Management are elected at the meeting, then the majority of the board will be independent for the ensuing year. Mr. Thody also holds the position of Chair of the Board of Directors as an independent director.

The Corporation has taken steps to ensure that adequate structures and processes are in place to permit the Board of Directors to function independently of Management. Pursuant to the Mandate of the Board of Directors, the Board of Directors may hold meetings at which members of Management are not in attendance. During the financial year ended December 31, 2008, no formal meetings were held without Management present. However, members of the Board of Directors and its committees held various meetings on an informal basis in the absence of Management.

Between January 1, 2008 and December 31, 2008, the Board of Directors and its committees held the following number of meetings:

Board of Directors.....	6
Audit Committee .....	3
Corporate Governance Committee .....	1
Nominations Committee.....	2
Compensation Committee.....	2
<hr/>	
Total number of meetings held.....	14

The attendance of the directors at such meetings was as follows:

<u>Director</u>	<u>Board Meetings Attended</u>	<u>Committee Meetings Attended</u>
Stephen H. Sorensen	6 of 6	n/a
Graham C. Thody	6 of 6	7 of 7
Colin C. MacDonald	2 of 6	5 of 5
Mark P. Eaton	5 of 5	5 of 5
Suraj P. Ahuja	5 of 6	6 of 6

Currently, the following directors serve on the following boards of directors of other public companies:

<u>Director</u>	<u>Public Corporation Board Membership</u>
Graham C. Thody	Baja Mining Corporation Geologix Explorations Inc. GoldSource Mines Inc. Minterra Resource Corp. SilverCrest Mines Inc.
Mark P. Eaton	Murgor Resources Inc.

## **Position Descriptions**

Management is authorized to act, without board approval, on all ordinary course matters relating to the Corporation's business. The Board has formally defined the following corporate objectives for senior Management:

- to discover, develop and expand mineable reserves through effective exploration programs;
- to add value through development of its exploration properties; and
- to promote the growth of the Corporation.

The Board expects Management to efficiently implement its strategic plans for the Corporation, to keep the Board fully apprised of its progress in doing so, and to be fully accountable to the Board in respect of all matters for which it has been assigned responsibility.

The Board has directed senior Management to respond to inquiries from shareholders and to advise the Board of any major concerns expressed by shareholders.

The Corporation has developed written position descriptions for the Chair of the Board of Directors, the chair of each committee of the Board of Directors, and the Chief Executive Officer.

## **Orientation and Education**

The Corporation provides new directors with an orientation program upon joining the Corporation, which may consist of meetings with members of Management to consider matters such as: the nature of the business and corporate structure of the Corporation; its strategic plans; operations and capital expenditure programs; financial planning strategies and the Corporation's policies and procedures, including the By-Laws, Mandate of the Board of Directors and other procedures and policies of the Board of Directors, and the Code of Corporate Ethics and Behaviour. New directors are also briefed on potential liabilities arising from their role as a director of the Corporation.

As a part of the continuing education of the directors, presentations are made at Board of Director meetings by Management and/or consultants on new developments, including updates on exploration programs and results. As well, directors are provided with the opportunity to meet with corporate officers and managers to discuss and better understand the business and from time to time visit the Corporation's properties.

Board members are encouraged to communicate with Management and auditors, to keep themselves current with industry trends and development, and to attend related industry seminars. Board members have full access to the Corporation's records.

## **Ethical Business Conduct**

The Corporation has adopted a written Code of Corporate Ethics and Behaviour (the "**Code**"), which prescribes the minimum standards of conduct governing all directors, officers and employees in the performance of their duties. The provisions of the Code are mandatory. All rulings and interpretations made under the Code are made in accordance with the spirit and intent of the Code.

A copy of the Code may be obtained from the Secretary of the Corporation and is also available under the Corporation's profile on SEDAR at <http://www.sedar.com>. The Board of Directors has the responsibility to approve and monitor compliance with the Code. However, primary responsibility for monitoring compliance with the Code rests with the Secretary of the Corporation. Any waivers from the Code for the benefit of the Corporation's directors or officers may only be granted by the Board of Directors or, if delegated by the Board of Directors, a committee of the Board of Directors. The Corporation has not filed any material change report since the beginning of its most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

Pursuant to the Code, no officer or employee may have any business conduct which conflicts with the Corporation's interests. Each officer or employee who becomes aware of an actual, potential or apparent conflict of interest must report such conflicts to the Chair of the Board of Directors. Directors must conduct their business and affairs in a manner that ensures their private or personal interests do not interfere or appear to interfere, with the interests of the Corporation, including conflicts relating to personal, financial or other gain. Should conflicts arise, or be perceived to arise, directors shall immediately make full disclosure to the Chair of the Board of Directors and shall not participate in any decision or action where there is a real or apparent conflict.

The provisions of the Code are mandatory. All rulings and interpretations made under the Code will be in accordance with the spirit and intent of the Code.

The Corporate Governance Committee is currently comprised of three independent directors, Mark Eaton, Suraj Ahuja and Colin Macdonald. The mandate of the Corporate Governance Committee is, among other things, to monitor external corporate governance requirements and to ensure corporate compliance with such requirements and to annually make disclosure of the Corporation's system of corporate governance. The composition of the Corporate Governance Committee will be reconsidered after the Meeting.

### **Nominations Committee**

The Nominations Committee is currently comprised of three independent directors: Colin Macdonald, Graham Thody and Suraj Ahuja. The mandate of the Nominations Committee is to identify qualified individuals to become directors, to recommend director nominees for appointment to the next annual general meeting and to assess the effectiveness of the Board, committees of the Board and individual directors. The composition of the Nominations Committee will be reconsidered after the Meeting.

Prior to each annual general meeting, the Nominations Committee meets to consider the current composition of the Board of Directors and considers whether it is appropriate or desirable to add a member or change the composition. In the event that a new director is proposed to be added to the Board, the decision is made by the committee as a whole, based on the recommendation of one or more committee members, and a recommendation is made to the Board.

In making its recommendations, the Nominations Committee considers the following:

- (a) the competencies and skills that the Board of Directors considers necessary for the Board, as a whole, to possess;
- (b) the competencies and skills that the Board of Directors considers each existing director to possess;
- (c) the competencies and skills each new nominee will bring to the boardroom; and
- (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a board member.

### **Compensation Committee**

The Compensation Committee is currently comprised of three independent directors: Colin Macdonald, Graham Thody and Mark Eaton. The mandate of the Compensation Committee is to determine compensation for, and monitor the performance of senior officers and directors of the Corporation. The composition of the Compensation Committee will be reconsidered after the Meeting.

The Compensation Committee, in consultation with the Chief Executive Officer and others as required:

- (a) develops for recommendation to the Board of Directors, and review at least annually, a general compensation approach for employees;

- (b) reviews and recommends to the Board of Directors for consideration, approval, and establishment by the Board of Directors, employee benefits plans and guidelines with respect to those plans;
- (c) within any guidelines established by the Board of Directors, oversees all administrative requirements with regard to the Corporation's Option Plan and, subject to confirmation by the Board of Directors, approves the granting of stock options of the Corporation and reviews and recommends any amendments to the Option Plan which the Compensation Committee considers necessary;
- (d) within any guidelines established by the Board of Directors, administers the incentive compensation plans for Executive Management of the Corporation, designates key employees as Executive Management for the purposes of receiving incentive compensation, and annually reviews and recommends any amendments to the incentive compensation plan which the Compensation Committee considers necessary;
- (e) examines, at least annually, the roles of Executive Management and recommends to the Board of Directors the establishment of new positions or roles or other changes within Executive Management when to do so would be beneficial to the Corporation; and
- (f) reviews as required, the Corporation's succession plans for Executive Management, including specific development plans and career planning for potential successors, and recommends them to the Board of Directors.

The Board of Directors is compensated solely in incentive stock options to best align their interests with those of the Corporation's shareholders. The Corporation pays reasonable expenses incurred by the Board. As disclosed under "Statement of Executive Compensation – Director Compensation", directors, in their capacity as directors, were not paid remuneration for the fiscal year ended December 31, 2008 and there are no agreements or arrangements with any directors of the Corporation in respect of such compensation in their capacity as directors, other than incentive stock options. The Board of Directors from time to time reviews outstanding stock options and considers whether it is desirable to issue further options to directors.

### **Assessment of the Board**

The Guidelines recommend that the Board implement a process for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. The Board of Directors has established an annual review process which has four components: an evaluation of the effectiveness of the Board of Directors as a whole; an evaluation of the performance of each individual Director; an evaluation of the Chair of the Board of Directors; and an evaluation of the effectiveness of each of the Committees of the Board of Directors. This review process shall relate directly to the description of the duties and responsibilities of the Board of Directors and to the mandates of its committees.

### **AUDIT COMMITTEE**

The Audit Committee oversees the Corporation's financial reporting obligations, systems and disclosure and acts as a liaison between the Board of Directors and the Corporation's auditors. Activities of the Audit Committee typically include reviewing quarterly and annual financial statements, ensuring that internal controls over accounting and financial systems are maintained and that accurate financial information is disseminated to shareholders, reviewing the results of internal and external audits and any change in accounting procedures or policies and evaluating the performance of the Corporation's auditors.

Information about the Corporation's Audit Committee is provided in the Corporation's most recent Annual Information Form (the "AIF"), including the Audit Committee Charter. The AIF may be obtained from the Corporation's public disclosure documents found on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) or by contacting the Corporation's Corporate Secretary at Suite 1007 – 808 Nelson Street, Vancouver, British Columbia, V6Z 2H2, Telephone: (604) 669-2349.

**PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

Management of the Corporation is not aware of any matters to come before the meeting other than those set forth in the Notice of Annual Meeting. If other matters properly come before the Meeting, it is the intention of the person named in the accompanying form of proxy to vote the shares represented thereby in accordance with his or her best judgment on such matters.

**ADDITIONAL INFORMATION**

Financial information is provided in the Corporation's comparative consolidated financial statements and related Management's Discussion and Analysis for its year ended December 31, 2008. Copies of the above and other disclosure documents relating to the Corporation may be examined and/or obtained through the Internet by accessing the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) or by contacting the Corporation's Corporate Secretary at Suite 1007 – 808 Nelson Street, Vancouver, British Columbia, V6Z 2H2, Telephone: (604) 669-2349.

The Board of Directors has Approved the Contents and Sending of this Information Circular.

*“signed”*

Stephen H. Sorensen  
President and Chief Executive Officer

## APPENDIX “A”

### UEX CORPORATION

#### MANDATE OF THE BOARD OF DIRECTORS

##### 1. AUTHORITY AND PURPOSE

- (a) The Board of Directors of the Corporation (the “**Board**”) is empowered by the *Canada Business Corporations Act* (the “**CBCA**”), and the Corporation’s articles and by-laws to manage, or supervise the management of, the business and affairs of the Corporation.
- (b) The primary responsibility of the Board is to foster the long-term success of the Corporation, consistent with the objective of enhancing shareholder value.

##### 2. STRUCTURE

- (a) In accordance with the articles of the Corporation and applicable securities laws, the Board shall consist of a minimum of 3 and a maximum of 10 Directors. The Board annually examines its size to determine the impact of the number of Directors upon the effectiveness of the Board.
- (b) It is the policy of the Corporation that at least a majority of the members of the Board shall be “independent”, as defined in applicable securities laws, instruments and policies.
- (c) Acting upon the advice of the Nominating Committee, the Board has the responsibility to nominate or appoint individuals as Directors. In addition to the eligibility requirements for Directors set out in the by-laws of the Corporation (the “**By-Laws**”) and the CBCA, the Board: (i) considers the essential and desired skills and competencies of the Board as a whole and assesses the competencies and skills currently represented on the Board by the existing Directors; and (ii) based on that assessment, considers the experience, skills, personality and other relevant characteristics that prospective nominees should possess.
- (d) The Board recognizes the need to familiarize newly-elected Directors with the role and responsibilities of the Board as a whole and its Committees as well as their individual roles, responsibilities, legal obligations and expected commitment of time and energy as Directors. New Directors are provided with an overview of the Corporation, normally by way of an orientation, which may consist of meetings with members of management to consider matters such as: the nature of the business and corporate structure of the Corporation; its strategic plans; operations and capital expenditure programs; financial planning strategies and the Corporation’s policies and procedures, including the By-Laws, this Board Mandate and other Board procedures and policies, and the Code of Corporate Ethics and Behaviour. New Directors are also briefed on potential liabilities arising from their role as a Director of the Corporation.
- (e) As a part of the continuing education of the Directors, presentations are made at Board meetings by management and/or consultants on new developments, including updates on exploration programs and results. As well, Directors are provided with the opportunity to meet with corporate officers and managers to discuss and better understand the business and from time to time visit the Corporation’s properties.
- (f) The Board shall establish an annual Board review process which has four components: an evaluation of the effectiveness of the Board as a whole; an evaluation of the performance of each individual Director; an evaluation of the Chair of the Board; and an evaluation of the effectiveness of each of the Committees of the Board. This review process shall relate directly to the description of the duties and responsibilities of the Board and to the mandates of its Committees.
- (g) The Board shall hold regularly scheduled meetings at which members of management are not in attendance.

(h) **Committees**

(i) The Board shall operate with the following four standing committees (the “Committees”):

- Audit Committee
- Corporate Governance Committee
- Compensation Committee
- Nominating Committee

The Board may, from time to time, establish additional committees of the Board at its discretion.

(ii) The Board has adopted a charter for each of its Committees, which contains a clear position description of the chair of such Committee. Each charter shall be reviewed at least annually by the Committees and may, based on recommendation from the applicable Committee, be amended by the Board as considered appropriate. Each Committee shall consist of three or more members and shall be composed entirely of Directors who are “independent” as defined in applicable securities laws, instruments and policies. The Chief Executive Officer (“CEO”) shall participate in meetings of Committees by invitation.

(iii) To facilitate communication between the Board and its Committees, each Committee shall report annually to the Board regarding the performance of the Committee, by reviewing the performance of the Committee against its charter.

(iv) Committee members shall be appointed for one-year terms and may serve for any number of consecutive terms. In appointing members to a Committee, the Board shall seek to ensure some continuity of membership on the Committee. Members of the Committees, including the Chair, can be removed from the Committee during the term of the member at the discretion of the Board.

(i) **Chair of the Board**

(i) The Chair shall be appointed by the Board for a one-year term and may serve any number of consecutive terms. The Chair of the Board is a non-executive officer position and shall be filled by a Director who is “independent” as defined in applicable securities laws, instruments and policies. The positions of Chair of the Board and CEO shall be separate.

(ii) The Chair is the presiding Board member. The Chair is responsible for ensuring that the Board functions effectively, efficiently and harmoniously. The Chair is responsible for ensuring good relationships between the Board, management, shareholders and other stakeholders.

(iii) The Chair’s primary responsibility is to manage the Board of Directors and meetings of the Board. In addition, the Chair shall:

- (A) in consultation with management, and subject to input from other Directors, establish the agenda for the meetings of the Board and direct that properly prepared agenda materials are circulated to Directors in sufficient time for study prior to the meeting;
- (B) ensure that the Board has full oversight of the Corporation’s business and affairs, and that the Board is aware of its obligations to the Corporation, shareholders, management and other stakeholders and under the law;
- (C) provide leadership to the Board and arrange for it to review and monitor the aims, strategy, policy and directions of the Corporation and the achievement of its objectives;
- (D) chair all Board meetings, including sessions without management, and all shareholder meetings;

- (E) attend Committee meetings where appropriate or otherwise at the request of the Committee chair; and
- (F) ensure that Board meetings are conducted in an efficient, effective and focused manner.

### **3. RESPONSIBILITIES AND EXPECTATIONS**

(a) The Board operates by delegating some of its authority, including certain spending authorizations, to management and by reserving other powers to itself. Subject to the CBCA, the By-Laws and the Articles of the Corporation, the Board retains the responsibility for, among other matters, (i) authorizing significant transactions, including the issuance of securities of the Corporation or the assumption of corporate debt and (ii) managing its own affairs, including planning its composition, selecting its Chair, nominating candidates for election of the Board, appointing Committees and Committee chairs and determining Director compensation.

(b) A Director's responsibility is that of a fiduciary and individually and collectively is founded in legal imperatives. In its fiduciary capacity, the Board is responsible for the stewardship of the Corporation and as such, is accountable for the success of the Corporation by taking responsibility for management.

(c) Directors are expected to attend regularly scheduled meetings of the Board and of the shareholders and to have prepared for the meetings by reviewing, in advance of each meeting, the materials delivered in connection with the meeting and by seeking clarification or additional information, where required. The attendance record of individual Directors at meetings of the Board will be disclosed in the Company's management proxy circular, as required by applicable law. Directors are expected to vote on all matters requiring a decision of the Board or its Committees, except where a conflict of interests exists.

#### **(d) Selection of Management**

The Board has the responsibility for:

- (i) acting upon the recommendation of the Compensation Committee, the appointment and replacement of the CEO for monitoring CEO performance, approving CEO compensation and providing advice and counsel to the CEO in the execution of the CEO's duties;
- (ii) in consultation with the CEO and the Compensation Committee, the Board has the responsibility for approving the appointment and remuneration of executive management;
- (iii) acting upon the recommendation of the Compensation Committee, approving the Corporation's succession plans for management, including the appointment, training and monitoring of management; and
- (iv) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.

#### **(e) Strategy Determination**

The Board has the responsibility to:

- (i) review with management the mission of the business and its financial and other objectives and goals;
- (ii) adopt a strategic planning process and approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business; and
- (iii) act through its Chair as a sounding board for the CEO on transactions worth pursuing, issues during negotiations, preliminary pricing and management recommendations.

(f) **Monitoring and Acting**

The Board has the responsibility:

- (i) to monitor the Corporation's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances;
- (ii) with the assistance of the Audit Committee, to monitor the implementation and integrity of the Corporation's internal control and management information systems;
- (iii) for the identification of the principal risks of the Corporation's business and taking all reasonable steps to ensure the implementation of appropriate systems to manage these risks;
- (iv) for directing management to ensure appropriate disclosure controls and procedures are in place to enable information to be recorded, processed, summarized and reported within the time periods required by law; and
- (v) to review proposed acquisitions and divestitures, oversee the due diligence process and approve any payment of dividends and new financings.

(g) **Corporate Governance**

The Board has the responsibility to:

- (i) ensure that the Corporation has the appropriate structures and policies in place to allow the Board to effectively discharge its duties;
- (ii) approve and monitor compliance with all significant policies and procedures by which the Corporation is operated;
- (iii) approve and monitor compliance with the Corporation's Code of Corporate Ethics and Behaviour applicable to all directors, officers, and employees of the Corporation. Any waivers from the Code of Corporate Ethics and Behaviour for the benefit of the Corporation's directors or officers may only be granted by the Board or, if delegated by the Board, a Board committee; and
- (iv) acting upon the advice of the Corporate Governance Committee, review, on a periodic basis, corporate governance issues of the Corporation.

(h) **Compliance and Corporate Communications**

The Board has the responsibility to:

- (i) with the assistance of the Audit Committee, direct and oversee the adequate reporting of the financial performance of the Corporation to shareholders, other securityholders and regulators on a timely and regular basis;
- (ii) with the assistance of the Audit Committee, to review and approve the financial results of the Corporation and to ensure that they are reported fairly and in accordance with generally accepted accounting principles;
- (iii) direct and oversee the timely reporting of any other developments that have a significant and material impact on the value of the Corporation;
- (iv) report annually to shareholders on its stewardship for the preceding year;
- (v) attempt to ensure the fullest communications with the shareholders and to approve all proposals to be submitted to the shareholders, including nomination of Directors; and
- (vi) oversee that legal requirements have been met, and documents and records have been properly prepared, approved and maintained.

**4. ACCESS TO INFORMATION AND PERSONNEL**

In its discharge of the foregoing duties and responsibilities, the Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to officers of the Corporation and to the relevant books, records and systems of the Corporation as considered appropriate.

**5. INDEPENDENT ADVICE**

The Board shall have the authority to engage and terminate such independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and to set and cause to be paid by the Corporation the compensation of any such counsel or advisors.

**6. BOARD REVIEW OF MANDATE**

With the assistance of the Corporate Governance Committee, the Board shall periodically review the adequacy of the Board's mandate and, as necessary, revise this mandate annually.