ENERGOLD DRILLING CORP.
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INFORMATION CIRCULAR
as of April 19, 2012 (unless otherwise noted)

MANAGEMENT SOLICITATION OF PROXIES

The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "**Meeting**") of the Company to be held on Thursday, May 24, 2012 and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will not reimburse shareholders, nominees, or agents for their costs of obtaining authorization from their principals to sign forms of proxy. The Company will pay the cost of solicitation.

The Company has retained the services of Georgeson Shareholder Communications Canada Inc. ("Georgeson") in connection with the solicitation of proxies. For this service, and other advisory services, Georgeson will be paid a fee of up to $25,000 plus certain out-of-pocket expenses. The total cost of the solicitation of proxies will be borne by the Company.

If you have any questions about the information contained in this document or require assistance in completing your proxy form, please contact Georgeson by telephone at 1-866-783-6756 toll free in North America, or by e-mail at askus@georgeson.com.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on your behalf in accordance with the instructions given by you in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "**Management Proxyholders**").

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

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with your instructions on any ballot that may be called for and if you specify a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If you do not specify a choice and you have appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

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

COMPLETION AND RETURN OF PROXY

You must deliver the completed form of proxy to the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada by fax to (604) 661-9549 or by hand or mail to 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, or to the Company's head office at the address listed on the cover page of this Information Circular, not less than 48 hours (excluding Saturdays, Sundays, and holidays) before the scheduled time of the Meeting or any adjournment. Alternatively, Shareholders may vote by telephone or internet and, if so, it is not necessary to return the proxy. Reference is made to the form of proxy for the specific instructions as to voting by telephone or internet.

NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most of the Company's shareholders are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "**Nominee**"). If you purchased your shares through a broker, you are likely an unregistered holder.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "**NOBOs**". Those non-registered holders who have objected to disclosing ownership information about themselves to the Company are referred to as "**OBOs**".

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

Meeting materials sent to non-registered holders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In either case, the purpose of this procedure is to permit non-registered shareholders to direct the voting of the shares which they beneficially own. If a non-registered holder who receives a VIF wishes to attend the Meeting or have someone else attend on his, her or its behalf, the non-registered shareholder may appoint a legal proxy as set forth in the VIF, which will give the non-registered shareholder or his, her or its nominee the right to attend and vote at the Meeting. Non-registered shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

In addition, Canadian securities legislation now permits the Company to forward meeting materials directly to "non objecting beneficial owners". If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions.

REVOCABILITY OF PROXY

If you are a registered shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, as a registered shareholder, you or your attorney authorized in writing or, if you are a corporation, by an authorized director, officer or attorney of the corporation, may revoke it by either:

(a) signing a proxy bearing a later date; or

(b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy; or

(c) attending the Meeting in person and registering with the scrutineer as a registered shareholder present in person.

Only registered shareholders have the right to revoke a proxy. The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment, or to the Chairman of the Meeting on the day of the Meeting or any adjournment.

If you are a non-registered shareholder who wishes to revoke a proxy authorization form (voting instructions) or to revoke a waiver of your right to receive Meeting materials and to give voting instructions, you must give written instructions to your Nominee at least seven days before the Meeting.

VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The Company is authorized to issue an unlimited number of common shares without par value (the "**shares**"), of which 46,198,842 shares are issued and outstanding as of April 19, 2012. There is only one class of shares.

Persons who are registered shareholders at the close of business on April 19, 2012 will be entitled to receive notice of and vote at the Meeting. On a show of hands, every shareholder and proxyholder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each share. In order to approve a motion proposed at the Meeting, a majority of more than 50% of the votes cast will be required to pass an ordinary resolution, and a majority of at least two thirds (2/3) of the votes cast will be required to pass a special resolution.

To the knowledge of the Company's directors and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying 10% or more of all voting rights attached to all shares of the Company, except the following:

Name	*No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly*	*Percentage of Outstanding Shares*
CDS & Co[1]	37,749,913	89.78%

(1) The Company is not aware of the beneficial holders of the shares so registered.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director. The shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company at five for the next year, subject to any increases permitted by the Company's Articles.

Shareholder approval will be sought to fix the number of directors of the Company at five.

The Company has two committees, a Compensation Committee and an Audit Committee. Members of these committees are set out below.

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below, all of whom are presently members of the Board of Directors (the "**Board**"). Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the slate of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the shares represented by the proxy for the election of any other person or persons as Directors.

Management of the Company proposes to nominate each of the following persons named in the table below for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	*Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years*	*Previous Service as a Director*	*Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly [1]*
Frederick W. Davidson British Columbia, Canada Chief Executive Officer, President and Director	Chartered Accountant; Chief Executive Officer and President of the Company; Chief Executive Officer and President of IMPACT Silver Corp.	Since April 25, 1994	1,906,220
James H. Coleman, Q.C. [3] Alberta, Canada Chairman and Director	Senior Partner of Norton Rose Canada LLP, Barristers and Solicitors	Since August 17, 1994	546,636[4]

Name, Jurisdiction of Residence and Position	*Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years*	*Previous Service as a Director*	*Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly* (1)
H. Walter Sellmer (2) British Columbia, Canada Director	Geologist & Geological Consultant	Since April 14, 1994	54,763
Michael J. Beley (2)(3) British Columbia, Canada Director	Geologist and Independent Geological Consultant	Since August 5, 1996	32,500
Wayne D. Lenton (2)(3) Oro Valley, Arizona, USA Director	Independent Mining Consultant	Since September 10, 1996	315,891

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 19, 2012 based upon information furnished to the Company by individual directors. Unless otherwise indicated, such shares are held directly.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

(4) Of these shares, 33 are held indirectly in the name of C&S Group Investments and 74,683 are held indirectly in the name of Upalong Resources Limited, a partnership and a private company, respectively, both controlled by Mr. Coleman.

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

All of the nominees reside in Canada, except Mr. Lenton.

CORPORATE CEASE TRADE ORDERS AND BANKRUPTCIES

To the knowledge of the Company, no proposed director:

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

   (i) 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 issued while the proposed director was acting in the capacity as director, CEO or CFO; or

   (ii) was subject to a cease trade, and 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, CEO or CFO and which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within 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; or

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any 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.

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	***Name of Other Reporting Issuer***
Frederick W. Davidson	IMPACT Silver Corp.
James H. Coleman	Anterra Corporation; Salamander Energy Inc.; Gold Reserve Inc.; Great Basin Energies Inc.; Megagold Corporation; Sulliden Exploration Inc.; Avion Gold Corporation; Amex Exploration Inc.
H. Walter Sellmer	IMPACT Silver Corp.
Wayne D. Lenton	Eldorado Gold Corporation; North American Tungsten Corporation Ltd.
Michael J. Beley	Polaris Minerals Corporation

EXECUTIVE COMPENSATION

As at the date of the Information Circular, the Company has five Named Executive Officers (as defined below), namely, Frederick W. Davidson, the Company's CEO; Craig Geier, the Company's CFO; James Coleman, the Company's Chairman; Brian Bertram, President of Bertram Drilling Corp; and, Darrell Bertram, Vice President Operations of Bertram Drilling Corp. During the financial year ending December 31, 2011, Richard Younker was the Company's CFO until August 11, 2011, at which time Craig Geier was appointed the CFO.

Compensation Discussion and Analysis

Compensation, Philosophy and Objectives

Remuneration plays an important role in attracting, motivating, rewarding and retaining knowledgeable and skilled individuals to the Company's management team. The Company does not have a formal compensation program. The Compensation Committee meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis.

The Compensation Committee seeks to ensure that total compensation paid to all Named Executive Officers is fair and reasonable. The Compensation Committee reviews compensation paid to executives of companies similar in size and stage of development in the industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the executives while taking into account the financial and other resources of the Company.

Analysis of Elements

Base salary is used to provide the Named Executive Officers with a set compensation during the year with the expectation that each Named Executive Officer will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company entered into an executive employment agreement (the "**Employment Agreement**") with Mr. Davidson on April 1, 2005, pursuant to which Mr. Davidson receives an annual salary of $373,000 as of April 1, 2011.

For the financial year ending December 31, 2011, the Company paid Mr. Davidson a salary of $367,250, a cash bonus of $140,000 for his services as President, and an amount of $17,000 for his services as a Director. (See "Termination and Change of Control Benefits" for more information about the Employment Agreement.)

The Company paid Mr. Younker $122,063 as a salary for the financial year ending December 31, 2011.

The Company paid Mr. Geier $174,000 as a salary and a cash bonus of $40,000 for the financial year ending December 31, 2011.

The Company paid Mr. Coleman a bonus of $360,000 and $19,800 for his services as a Director for the financial year ending December 31, 2011.

The Company paid Mr. Brian Bertram $104,157 as a salary and accrued an earn-out bonus of $1,478,609, payable in 2012, pursuant to the acquisition by the Company of Bertram Drilling Corp, for the financial year ending December 31, 2011.

The Company paid Mr. Darrell Bertram $104,157 as a salary and accrued an earn-out bonus of $1,478,609, payable in 2012, pursuant to the acquisition by the Company of Bertram Drilling Corp, for the financial year ending December 31, 2011.

The amounts described above were determined by the Compensation Committee of the Company. The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each Named Executive Officer's efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants and employees at the commencement of employment and periodically thereafter. The terms and conditions of the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's stock option plan and as determined by the Board at the time of the grant. The purpose of granting options is to assist the Company in compensating, attracting, retaining and motivating the Named Executive Officers and Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Option-based Awards

The Company has no long term incentive plans other than its stock option plan. The Company's directors, officers, consultants and employees are entitled to participate in the stock option plan. The stock option plan is designed to encourage share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the stock option plan aligns the interests of the Named Executive Officer and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Company's common shares.

Options are granted by the Board of Directors. In monitoring or adjusting the option allotments, the Board takes into accounts its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the Name Executive Officers and the Board. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Board also makes the following determinations:

- parties who are entitled to participate in the stock option plan;
- the exercise price for each stock option granted, subject to the provision that the exercise price cannot be lower than prescribed discount permitted by the Exchange from the market price on the date of grant;
- the date on which each option is granted;
- the vesting period, if any, for each stock option;
- the other material terms and conditions of each stock option grant; and
- any re-pricing or amendment to a stock option grant.

The Board makes these determinations subject to and in accordance with the provisions of the stock option plan. The Board reviews and approves grants of options on an annual basis periodically during a financial year.

Pursuant to the Company's stock option plan, the Board grants options to directors, executive officers, other employees and consultants as incentives.

The Compensation Committee recommends option grants to the Board. The Company granted stock options exercisable to purchase 380,000 shares of the Company to Named Executive Officers during the year ended December 31, 2011.

Summary Compensation Table

The table below sets out particulars of compensation paid to the following executive officers (each of whom is a "**Named Executive Officer**") for services to the Company during the three most recently completed financial years that ended on or after December 31, 2008:

(a) the individual who acted as the Company's CEO or acted in a similar capacity for any part of the most recently completed financial year;

(b) the individual who acted as the Company's CFO or acted in a similar capacity for any part of the most recently completed financial year;

(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; and

(d) each individual who would be an Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

Summary Compensation Table

Name and principal position	**Year**	**Salary [1] ($)**	**Share-based awards ($)**	**Option-based awards ($)**	**Non-equity incentive plan compensation ($)**		**Pension value ($)**	**All other compensation ($)**	**Total compensation ($)**
					Annual incentive plans	**Long-term incentive plans**			
Frederick W. Davidson, President, CEO[2]	2011	367,250[2]	N/A	170,039[3]	140,000 [4]	Nil	Nil	17,000	694,289
	2010	343,750	N/A	246,295[5]	130,000[7]	Nil	Nil	9,700	729,745
	2009	318,750	N/A	145,343[6]	125,000[9]	Nil	Nil	22,233	611,326
Richard S. Younker, CFO[8]	2011	122,063	N/A	Nil	Nil	Nil	Nil	Nil	122,063
	2010	134,192	N/A	42,222[5]	Nil	Nil	Nil	Nil	176,414
	2009	131,079	N/A	33,221[6]	Nil	Nil	Nil	Nil	131,079
Craig Geier, CFO[8]	2011	174,000	N/A	81,619[3]	40,000[11]	Nil	Nil	Nil	295,619
	2010	156,000	N/A	70,370[5]	Nil	Nil	Nil	Nil	226,370
	2009	55,500	N/A	41,527[6]	Nil	Nil	Nil	Nil	97,027
James H. Coleman, Chairman	2011	N/A	N/A	136,031[3]	360,000[10]	Nil	Nil	19,800	515,831
	2010	N/A	N/A	175,925[5]	Nil	Nil	Nil	20,000	195,925
	2009	N/A	N/A	103,816[6]	Nil	Nil	Nil	19,400	123,216
Brian Bertram	2011	104,157	N/A	N/A	Nil	Nil	Nil	1,487,609[12]	1,591,766
	2010	N/A	N/A	N/A	Nil	Nil	Nil	Nil	Nil
	2009	N/A	N/A	N/A	Nil	Nil	Nil	Nil	Nil
Darrell Bertram	2011	104,157	N/A	N/A	Nil	Nil	Nil	1,487,609[13]	1,591,766
	2010	N/A	N/A	N/A	Nil	Nil	Nil	Nil	Nil
	2009	N/A	N/A	N/A	Nil	Nil	Nil	Nil	Nil

(1) This figure includes the dollar value of cash and non-cash base salary each Named Executive Officer earned during the relevant financial year.

(2) The Company entered into the Employment Agreement with Mr. Davidson on April 1, 2005, pursuant to which he received the following month salary: $17,500 per month from January 1, 2008 to March 31, 2008; $25,000 per month from April 1, 2008 to April 1, 2009; $27,083 per month from April 1, 2009 to April 1, 2010; $29,167 per month from April 1, 2010 to April 1, 2011; and $31,083 per month from April 1, 2011 to present.

(3) These options were granted on October 14, 2011 with 25% vesting immediately and 12.5% vesting each quarter thereafter. They are exercisable at a price of $3.80 and expire on October 13, 2016. The Black-Scholes model was used to calculate these amounts.

(4) Mr. Davidson received a bonus of $140,000 in cash for services as President.

(5) These options were granted on October 21, 2010 with 25% vesting immediately and 12.5% vesting each quarter thereafter. They are exercisable at a price of $3.45 and expire on October 21, 2015. The Black-Scholes model was used to calculate these amounts.

(6) These options were granted on October 1, 2009 with 25% vesting immediately and 12.5% vesting each quarter thereafter. They are exercisable at a price of $2.01 and expire on October 1, 2014. The Black-Scholes model was used to calculate these amounts.
(7) Mr. Davidson received a bonus of $130,000 in cash for services as President.
(8) Mr. Younker resigned as CFO on August 11, 2011; Mr. Geier commenced as CFO on August 11, 2011.
(9) Mr. Davidson received a bonus of $125,000 in cash for services as President.
(10) Mr. Coleman received a bonus of $360,000 in cash for services as Chairman.
(11) Mr. Geier received a bonus of $40,000 in cash for services as CFO.
(12) Mr. Brian Bertram is eligible for an earn-out bonus of $1,487,609, accrued as at the financial year ending December 31, 2011, payable in 2012, pursuant to the acquisition by the Company of Bertram Drilling Corp.
(13) Mr. Darrell Bertram is eligible for an earn-out bonus of $1,487,609, accrued as at the financial year ending December 31, 2011, payable in 2012, pursuant to the acquisition by the Company of Bertram Drilling Corp.

Incentive Plan Awards

The following table discloses the particulars for each Named Executive Officer all awards outstanding at the end of the most recently completed financial year:

Outstanding share-based compensation and option-based awards

	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 of payout value of share-based awards that have not vested ($)***
Frederick W. Davidson	175,000	2.01	October 1, 2014	446,250	N/A	N/A
	175,000	3.45	October 20, 2015	194,250	N/A	N/A
	125,000	3.80	October 13, 2016	95,000	N/A	N/A
James H. Coleman	125,000	2.01	October 1, 2014	318,750	N/A	N/A
	125,000	3.45	October 20, 2015	138,750	N/A	N/A
	100,000	3.80	October 13, 2016	76,000	N/A	N/A
Craig Geier	15,000	2.01	October 1, 2014	38,250	N/A	N/A
	50,000	3.45	October 20, 2015	55,500	N/A	N/A
	60,000	3.80	October 13, 2016	45,600	N/A	N/A
Richard S. Younker	30,000	3.45	October 20, 2015	33,300	N/A	N/A
Brian Bertram	Nil	N/A	N/A	N/A	N/A	N/A
Darrell Bertram	Nil	N/A	N/A	N/A	N/A	N/A

(1) This amount is based on the difference between the market value of the securities underlying the options at the year ended December 31, 2011 and the exercise price of the option.

Incentive Plan Awards – value vested or earned during the year

The following table sets forth the values of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for each Named Executive Officer:

Name	***Option-based awards – Value vested during the year ($)***		***Share-based awards – Value vested during the year ($)***	***Non-equity incentive plan compensation – Value earned during the year ($)***
Frederick W. Davidson	45,719	(1)	Nil	Nil
	52,281	(2)		
	16,188	(3)		
	18,375	(4)		
	8,750	(5)		
	3,719	(6)		
James H. Coleman	32,656	(7)	Nil	Nil
	37,344	(8)		
	11,563	(9)		
	13,125	(10)		
	6,250	(11)		
	2,125	(12)		
Craig Geier	3,919	(13)	Nil	Nil
	4,481	(14)		
	4,625	(15)		
	5,250	(16)		
	2,500	(17)		
	1,063	(18)		
Richard S. Younker	10,450	(19)	Nil	Nil
	11,950	(20)		
	2,775	(21)		
	3,150	(22)		
	1,500	(23)		
	638	(24)		
	1,031	(25)		
	638	(26)		
Brian Bertram	Nil		Nil	Nil
Darrell Bertram	Nil		Nil	Nil

(1) This figure is for the 21,875 options that vested on January 1, 2011. The market price of these options on January 1, 2011 was $4.10.
(2) This figure is for the 21,875 options that vested on April 1, 2011. The market price of these options on April 1, 2011 was $4.40.
(3) This figure is for the 21,875 options that vested on January 21, 2011. The market price of these options on January 21, 2011 was $4.19.

(4) This figure is for the 21,875 options that vested on April 21, 2011. The market price of these options on April 21, 2011 was $4.29.
(5) This figure is for the 21,875 options that vested on July 21, 2011. The market price of these options on July 21, 2011 was $3.85.
(6) This figure is for the 21,875 options that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.
(7) This figure is for the 15,625 options that vested on January 1, 2011. The market price of these options on January 1, 2011 was $4.10.
(8) This figure is for the 15,625 options that vested on April 1, 2011. The market price of these options on April 1, 2011 was $4.40.
(9) This figure is for the 15,625 options that vested on January 21, 2011. The market price of these options on January 21, 2011 was $4.19.
(10) This figure is for the 15,625 options that vested on April 21, 2011. The market price of these options on April 21, 2011 was $4.29.
(11) This figure is for the 15,625 options that vested on July 21, 2011. The market price of these options on July 21, 2011 was $3.85.
(12) This figure is for the 12,500 options that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.
(13) This figure is for the 1,875 options that vested on January 1, 2011. The market price of these options on January 1, 2011 was $4.10.
(14) This figure is for the 1,875 options that vested on April 1, 2011. The market price of these options on April 1, 2011 was $4.40.
(15) This figure is for the 6,250 options that vested on January 21, 2011. The market price of these options on January 21, 2011 was $4.19.
(16) This figure is for the 6,250 options that vested on April 21, 2011. The market price of these options on April 21, 2011 was $4.29.
(17) This figure is for the 6,250 options that vested on July 21, 2011. The market price of these options on July 21, 2011 was $3.85.
(18) This figure is for the 6,250 options that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.
(19) This figure is for the 5,000 options that vested on January 1, 2011. The market price of these options on January 1, 2011 was $4.10.
(20) This figure is for the 5,000 options that vested on April 1, 2011. The market price of these options on April 1, 2011 was $4.40.
(21) This figure is for the 3,750 options that vested on January 21, 2011. The market price of these options on January 21, 2011 was $4.19.
(22) This figure is for the 3,750 options that vested on April 21, 2011. The market price of these options on April 21, 2011 was $4.29.
(23) This figure is for the 3,750 options that vested on July 21, 2011. The market price of these options on July 21, 2011 was $3.85.
(24) This figure is for the 3,750 options that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.
(25) This figure is for the 9,375 options that vested on April 13, 2011. The market price of these options on April 13, 2011 was $4.30.
(26) This figure is for the 3,750 options that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.

Pension Plan Benefits

The Company does not have any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

The Employment Agreement is effective as of April 1, 2005 and will continue unless terminated in accordance with its terms. The Company may terminate the Employment Agreement at any time without cause provided that the Company provides Mr. Davidson with written notice.

If Mr. Davidson is terminated without cause, or in the event of a Change of Control (as defined below) or upon Mr. Davidson's Constructive Dismissal (as defined below), Mr. Davidson has the right, for a period of six months after such event to provide the Company with written notice that he wishes to terminate the

Employment Agreement. If Mr. Davidson has provided the Company with written notice to terminate the Employment Agreement, within the specified time period, he will receive:

(a) a retiring allowance (the "**Retiring Allowance**") equal to 2.5 times the sum of the Annual Compensation (as defined below) and any cash bonus (excluding any retention bonus) received by Mr. Davidson in the twelve month period prior to the date of termination;

(b) a cash amount equal to ten percent (10%) of the Retiring Allowance to compensate for the loss of benefits; and

(c) the entitlement to exercise immediately upon the termination date all outstanding options, conversion privileges and rights (vested and unvested), within the time period provided for such exercise upon termination of employment (which in any event shall not be less than one year or the date of expiry of the options, if earlier). If for any reason the Company is unable to effect such acceleration upon the termination date or at the option of Mr. Davidson, the Company will pay Mr. Davidson the cash equivalent of the amount Mr. Davidson would have received if the Company had been able to give full effect to such acceleration, which cash equivalent will be calculated by multiplying the number of outstanding options by the difference between the market price of the common shares of the Company issuable upon exercise of such options and their exercise price.

The Retiring Allowance and cash bonus will be subject to withholdings.

The Retiring Allowance amounts and other consideration (including share option acceleration rights) are subject to Mr. Davidson continuing his employment with the Company for a period of up to three months, at the Company's option, at Mr. Davidson's then existing compensation package.

For the purposes of the Employment Agreement a Change of Control includes the occurrence of any of:

(a) the purchase or acquisition of any Shares (as defined below) or Convertible Securities (as defined below) by a Holder (as defined below) which results in the Holder beneficially owning or exercising control or direction over, Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially would or over which control or direction is exercised by the Holders, the Holders would beneficially own, or exercise control or direction over, Shares carrying the right to cast more than 50% of the votes attaching to all Shares;

(b) Incumbent Directors (as defined below) ceasing to constitute a majority of the Board of Directors;

(c) approval by the shareholders of the Company of:

    i. an amalgamation, arrangement, merger or other consolidation or combination of the Company with another corporation pursuant to which the shareholders of the Company immediately thereafter do not own shares of the successor or continuing corporation which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation which may be cast to elect directors of that corporation;

    ii. the liquidation, dissolution or winding-up of the Company; or

    iii. the sale, lease or other disposition of all or substantially all of the assets of the Company.

Annual Compensation means the sum of $350,000, subject to any increases approved by the Compensation Committee. Mr. Davidson's annual salary has increased to $373,000 effective April 1, 2011.

Convertible Securities mean any securities convertible or exchangeable into Shares or carrying the right or obligation to acquire Shares.

The Employment Agreement defines Constructive Dismissal as, unless consented to in writing by Mr. Davidson, any action which constitutes constructive dismissal of Mr. Davidson including, without limiting the generality of the foregoing:

(a) a material decrease in the title, position, responsibilities, powers or reporting relationships of Mr. Davidson;

(b) a reduction in the Annual Compensation of Mr. Davidson;

(c) a requirement to relocate to another city, province, state or country; or

(d) any material reduction in the value of Mr. Davidson's employee benefits, plans and programs.

Holder means a person, a group of persons or persons acting jointly or in concert or persons associated or affiliated, within the meaning of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), with any such person, group of persons or any of such persons acting jointly or in concert.

Incumbent Director means any member of the Company's Board who was a member of the Company's Board immediately prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the directors, including a majority of the Incumbent Directors then on the Company's Board of Directors.

Shares mean the common shares of the Company and any other shares of the Company which have the right to vote in respect of the election of directors.

The following tables show the estimated compensation that would have been payable to Mr. Davidson assuming termination and/or Change of Control events occurring on December 31, 2011:

Payment Upon Termination without Cause	Payment Upon Change of Control or Upon Constructive Dismissal
$1,410,750	$1,410,750

(1) Pursuant to the terms of the Employment Agreement and a salary increase as of April 1, 2011, Mr. Davidson is paid an annual salary of $373,000 or $31,083 per month. This calculation assumes that Mr. Davidson received a cash bonus of $140,000.

Director Compensation

The Company has five directors, one of which is also a Named Executive Officer. For a description of the compensation paid to the Company's Named Executive Officer who also acts as a director, see "Summary Compensation Table".

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular except as disclosed in the table below.

Director Compensation Table

The following table sets forth all compensation the Company paid, payable, or granted to the Company's directors, other than to directors who are also Named Executive Officers, for the most recently completed financial year:

Name	Fees earned (1) ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
H. Walter Sellmer	19,400	Nil	81,619	Nil	Nil	Nil	101,019
Michael J. Beley	20,700	Nil	81,619	Nil	Nil	Nil	102,319
Wayne D. Lenton	20,300	Nil	81,619	Nil	Nil	Nil	101,919

Directors are compensated by the Company or its subsidiaries at $15,000 per annum for their services in their capacity as Directors. As well, they are compensated at $2,000 per annum for committee participation, involvement in special assignments or for services as a consultant or an expert during the most recently completed financial year, and $300 per meeting attended. Each committee chairman receives $1,000 per annum for his services.

The Company granted stock options exercisable to purchase a total of 180,000 shares of the Company to its Directors (including the Named Executive Officers) during the most recently completed financial year.

Share-based awards, option based awards and non-equity incentive plan compensation

Incentive Plan Awards

Outstanding share-based awards and option-based award

The following table discloses the particulars for each Director, who is not also a Named Executive Officer, all awards outstanding at the end of the most recently completed financial year:

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 share or units of shares that have not vested (#)	Market of payout value of share-based awards that have not vested ($)
H. Walter Sellmer	75,000	2.01	October 1, 2014	191,250	N/A	N/A
	75,000	3.45	October 20, 2015	83,250	N/A	N/A
	60,000	3.80	October 13, 2016	45,600	N/A	N/A
Michael J. Beley	75,000	2.01	October 1, 2014	191,250	N/A	N/A
	75,000	3.45	October 20, 2015	83,250	N/A	N/A
	60,000	3.80	October 13, 2016	45,600	N/A	N/A

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 share or units of shares that have not vested (#)***	***Market of payout value of share-based awards that have not vested ($)***
Wayne D. Lenton	75,000	2.01	October 1, 2014	191,250	N/A	N/A
	75,000	3.45	October 20, 2015	83,250	N/A	N/A
	60,000	3.80	October 13, 2016	45,600	N/A	N/A

(1) This amount is based on the difference between the market value of the securities underlying the options at the year ended December 31, 2011 and the exercise price of the option.

Incentive Plan Awards – value vested or earned during the year

The following table sets forth the value of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for each Director who is not also a Named Executive Officer:

Name	***Option-based awards – Value vested during the year ($)***		***Share-based awards – Value vested during the year ($)***	***Non-equity incentive plan compensation – Value earned during the year ($)***
H. Walter Sellmer	19,594	(1)	Nil	Nil
	22,406	(2)		
	6,938	(3)		
	7,875	(4)		
	3,750	(5)		
	1,594	(6)		
Michael J. Beley	19,594	(1)	Nil	Nil
	22,406	(2)		
	6,938	(3)		
	7,875	(4)		
	3,750	(5)		
	1,594	(6)		
Wayne D. Lenton	19,594	(1)	Nil	Nil
	22,406	(2)		
	6,938	(3)		
	7,875	(4)		
	3,750	(5)		
	1,594	(6)		

(1) This figure is for the 9,375 options that vested on January 1, 2011. The market price of these options on January 1, 2011 was $4.10.

(2) This figure is for the 9,375 options that vested on April 1, 2011. The market price of these options on April 1, 2011 was $4.40.

(3) This figure is for the 9,375 options that vested on Jan 21, 2011. The market price of these options on January 21, 2011 was $4.19.

(4) This figure is for the 9,375 options that vested on April 21, 2011. The market price of these options on April 21, 2011 was $4.29.

(5) This figure is for the 9,375 options that vested on July 21, 2011. The market price of these options on July 21, 2011 was $3.85.

(6) This figure is for the 9,375 that vested on October 21, 2011. The market price of these options on October 21, 2011 was $3.62.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out equity compensation plan information as at the end of the financial year ended December 31, 2011.

Plan Category	*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)*
Equity compensation plans approved by securityholders	5,845,324	$3.78	516,070
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	5,845,324	$3.78	516,070

INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

There is no indebtedness of any Director, executive officer, proposed nominee for election as a Director or associate of them, to or guaranteed or supported by the Company or any of its subsidiaries either pursuant to an employee stock purchase program of the Company or otherwise, during the most recently completed financial year.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors and the approval of the stock option plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, proposed nominee for election as a director of the Company, or associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the beginning of the Company's last financial year or in any proposed transaction, which has materially affected or will materially affect the Company or any of the Company's subsidiaries, other than as disclosed under the heading "Executive Compensation" and "Particulars of Other Matters to Be Acted Upon".

An "informed person" means:

(a) a director or executive officer of the Company;

(b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

(c) any person or company who beneficially owns, directly or indirectly, the Company's voting securities or who exercises control or direction over the Company's voting securities or a combination of both carrying more than 10 percent of the voting rights attached to all the Company's outstanding voting securities other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company if it has purchased, redeemed or otherwise acquired any of the Company's securities, so long as the Company holds any of its securities.

AUDIT COMMITTEE

Under the BCBCA, the Exchange policies and National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), the Company is required to have an Audit Committee.

The Audit Committee's Charter

Mandate

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

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.

- Review and appraise the performance of the Company's external auditors.

- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

<u>Documents/Reports Review</u>

(a) Review and update this Charter annually.

(b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

<u>External Auditors</u>

(a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.

(b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.

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

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

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

(f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

(g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

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

(i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and

iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

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

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

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

(d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

(e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

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

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

(i) Review certification process.

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

Other

Review any related-party transactions.

The Audit Committee met one time during the most recently completed financial year.

Composition of the Audit Committee

The following are the members of the Audit Committee:

Wayne D. Lenton	Independent [1]	Financially Literate [1]
H. Walter Sellmer	Independent [1]	Financially Literate [1]
Michael J. Beley	Independent [1]	Financially Literate [1]

[1] As defined by NI 52-110.

Relevant Education and Experience

The educational background or experience of the following Audit Committee members has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Company to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting:

Wayne D. Lenton, Director is a graduate of the Montana School of Mines with a Bachelor of Science degree in Metallurgical Engineering. He has over 50 years of experience in the mining industry. In 1979, he joined AMAX of Canada as Vice President, Operations. In 1985, he was appointed President, CEO and Director of Canada Tungsten Inc., as well as President of AMAX of Canada and President of AMAX Northwest Mining Company. In 1989, he became Chairman of the Board of Minerex Resources and in 1993, he was appointed President and Chief Executive Officer of Canada Tungsten, as a result of the amalgamation of Canada Tungsten Mining Corporation, Canamax Resources and Minerex Resources. Mr. Lenton is a past Chairman of the Mining Association of British Columbia and was a Director of the Mining Association of Canada. He is a member of the Canadian Institute of Mining & Metallurgy, the American Institute of Mining, Metallurgical and Petroleum Engineers and is a retired Professional Engineer in British Columbia and the Yukon Territory. Mr. Lenton is currently working as an independent consultant in Tucson, Arizona, and is a director of three public companies.

H. Walter Sellmer, Director, has over 34 years' experience as an exploration geologist. He has held senior management positions with Amax Exploration, Canamax and TOTAL Energold Corp., responsible for overseeing multi-million dollar exploration budgets. He is a Past-President of the B.C. and Yukon Chamber of Mines, and has served as industry representative on the Premiers Forum, a mining advisory group to the Premier of British Columbia, as well as a director of the PDAC.

Michael J. Beley was a director and Chairman of China Minerals Mining Corporation and Chairman of its predecessor Hawthorne Gold Corp. Mr. Beley was a co-founder President, CEO and director of Adriana Resources Inc. He did serve as a board member of Eagle Rock Materials Ltd. and Orca Sand and Gravel

Ltd., two private subsidiaries of Polaris Minerals Corporation. Previously, he served as a director of Nevada Pacific Gold and member of the Audit Committee. As well, he was Vice President and Director of Eldorado Gold Corporation and Director and Vice President of Bema Gold Corporation ("**Bema**") from 1988 to 1992. Prior to 1988, Mr. Beley held executive positions in Bema's predecessor companies, Amir Mines Ltd., Normine Resources Ltd. and Bema International Resources Inc. Mr. Beley is a fellow of the Geological Association of Canada, and past president of the BC and Yukon Chamber of Mines and is currently President of Beley Management Corp., a private investment company.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

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

External Auditor Service Fees (By Category)

The table below sets out all fees billed by the Company's external auditors in each of the last two fiscal years for audit fees:

Financial Year Ending	***Audit Fees***	***Audit Related Fees***	***Tax Fees***	***All Other Fees***
2011	$260,000	$47,500	4,050	Nil
2010	$215,000	$3,410	Nil	Nil

Exemption in Section 6.1 of NI 52-110

The Company is relying upon the exemption in section 6.1 of NI 52-110, which exempts issuers whose shares are listed only on the Exchange from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

<u>APPOINTMENT OF AUDITOR</u>

Unless otherwise instructed, the proxies given in this solicitation will be voted for the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, of 250 Howe Street Suite 200 Vancouver, British Columbia V6C 3S7, as the Company's auditor to hold office until the next annual general meeting. The Company proposes that the Board be authorized to set the remuneration to be paid to the auditor. PricewaterhouseCoopers LLP was first appointed the Company's auditor on May 24, 2007.

Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as the Company's auditor.

MANAGEMENT CONTRACTS

None of the management functions of the Company or its subsidiaries are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

CORPORATE GOVERNANCE

National Policy 58-201 *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines and, as prescribed by National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Company discloses the following:

1. Board of Directors

The Company's Board facilitates its independent supervision over management through regular meetings of the Board, both with and without members of the Company's management (including members of management who are also directors) being in attendance.

2. Independence of Members of the Board

The Company's Board consists of five directors, three of whom are independent based upon the tests for independence set forth in NI 52-110.

H. Walter Sellmer, Wayne D. Lenton and Michael J. Beley are independent. Frederick W. Davidson is not independent as he is the Company's President and CEO. James H. Coleman is not independent as he is the Company's Chairman.

The mandate of the Board, as prescribed by the BCBCA, is to manage or supervise management of the Company's business and affairs and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees.

3. Management Supervision by Board

The operations of the Company do not support a large Board and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent directors are however able to meet at any time without any members of management including the non-independent directors being present. Further supervision is performed through the Audit Committee which is composed of a majority of independent directors who meet with the Company's auditors without management being in attendance. The independent directors exercise their responsibilities for independent oversight of management through their majority control of the Board. The Board may appoint a lead director to direct Board operations.

4. Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

5. Participation of Directors in Board Meetings

In the year ended December 31, 2011, eight board meetings were held. The attendance record of each Director for the board meetings held is as follows:

Name of Director	*Number of Board Meetings Attended in the Most Recently Completed Financial Year*
Frederick Davidson	8
James H. Coleman	7
H. Walter Sellmer	6
Wayne D. Lenton	7
Michael J. Beley	8

6. Board Mandate

The Board has not adopted a written mandate; however, it delineates certain roles and responsibilities as set out in its employment agreements.

7. Position Descriptions

The Board has not adopted position descriptions for the Chair of the Board and for the chairs of each of its committees. The Board has adopted a position description for the CEO, as set forth in the Company's employment agreement with the CEO.

8. Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

(a) information respecting the functioning of the Board Directors, committees and copies of the Company's corporate governance policies;

(b) access to recent, publicly filed documents of ours, technical reports and the Company's internal financial information;

(c) access to management and technical experts and consultants; and

(d) a summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

9. Ethical Business Conduct

The Board views good corporate governance as an integral component to the Company's success and to meet responsibilities to shareholders.

The Board has adopted a series of policies ("**Policies**") concerning conduct of its employees and directors that is posted on its website at www.energold.com, under Policies of the Board. The Board has instructed its management and employees to abide by these Policies and to bring any breaches of these Policies to the attention of the Board. The Board conducts a continual review and updating of its Policies.

The Board requires that directors and executive officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting in respect to same if the interest is material or if required to do so by applicable corporate or securities law.

10. Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

11. Compensation of Directors and the CEO

The Board has adopted a written charter that sets forth the responsibilities, powers and operations of the Compensation Committee. The Compensation Committee is responsible for reviewing all overall compensation strategy, objectives and policies; annually reviewing and assessing the performance of the executive officers; recommending to the Board the compensation of the executive officers; reviewing executive appointments; and recommending the adequacy and form of directors' compensation.

This Committee meets at least once annually. The members of the Compensation Committee are James H. Coleman, Michael J. Beley and Wayne D. Lenton, of whom Messrs. Beley and Lenton are independent. These Directors have the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the independent directors review compensation paid for directors and CEOs of companies of similar size and stage of development in the Company's industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the independent directors annually review the performance of the CEO in light of the Company's objectives and consider other factors that may have impacted the Company's success in achieving the Company's objectives.

12. Other Board Committees

As the directors are actively involved in the Company's operations and the size of the Company's operations does not warrant a larger board of directors, the Board has determined that additional committees are not necessary at this stage of the Company's development.

13. Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual directors and each of its committees. To assist in its review, the Board conducts informal surveys of its directors and receives reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of Stock Option Plan

The Company's stock option plan (the "**Plan**") provides that a total of 4,591,070 shares are reserved for issuance upon exercise of stock options granted under the Plan. The Company has options outstanding under the Plan to purchase 2,310,425 shares.

On April 5, 2012, the Directors approved the adoption of a new Stock Option Plan (the "**2012 Plan**") to replace the Plan, subject to shareholder and regulatory approval. The 2012 Plan is a 10% rolling plan, replacing the Plan which set a fixed number of shares issuable pursuant to the exercise of options granted thereunder.

Further, terms added to the 2012 Plan include the following matters:

(a) The Company imposes black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the board of directors, in accordance with good corporate governance practices and as recommended by National Policy 51-201 *Disclosure Standards*. In order to ensure that optionees are not prejudiced by the imposition of such black-out periods, the 2012 Plan includes a provision to the effect that any outstanding stock options with an expiry date that falls during a management imposed black-out period or within five days thereafter will be automatically extended to a date that is 10 trading days following the end of the black-out period.

(b) The 2012 Plan contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations including an arrangement or other transaction under which the business or assets of the Company become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Company's shareholders, or the exchange with the Company's shareholders, of securities of the Company or securities of another company.

(c) The 2012 Plan contains a provision that, if pursuant to the operation of the plan's adjustment provisions, in respect of options granted under the 2012 Plan (the "**Subject Options**"), an optionee receives options to purchase securities of another company (the "**New Company**"), such new options shall expire on the earlier of: (i) the expiry date of the Subject Options; (ii) if the optionee does not become an eligible person in respect of the New Company, the date that the Subject Options expire pursuant to the applicable provisions of the 2012 Plan relating to expiration of options in cases of death, disability or termination of employment under the 2012 Plan (the "**Termination Provisions**"); (iii) if the optionee becomes an eligible person in respect of the New Company, the date that such new options expire pursuant to the terms of the New Company's stock option plan that correspond to the Termination Provisions; and (iv) the date that is two (2) years after the optionee ceases to be an eligible person in respect of the New Company or such shorter period as determined by the board.

(d) The 2012 Plan includes the *Income Tax Act* (Canada) withholding tax requirements (the "**Withholding Tax Requirements**") which came into effect January 1, 2011. The text of the clause included in the 2012 Plan with respect to such Withholding Tax Requirements is as

> follows: "Upon exercise of an Option, the Optionee shall, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy any applicable withholding tax requirements or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company shall have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid in respect of such payment. At its discretion, the Company may require an Optionee receiving Shares to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution to the Optionee, in whole or in part, until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any cash amount due or to become due from the Company to the Optionee an amount equal to such taxes. The Company may also retain and withhold or the Optionee may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of the Shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel, in whole or in part, any such Shares so withheld".

All existing and outstanding options will count against the number of shares reserved for issuance under the 2012 Plan as long as such options remain outstanding. Upon implementation of the 2012 Plan, all existing options will forthwith be governed by the 2012 Plan. The 2012 Plan may include such further and other amendments as may be required by the Exchange.

The full text of the 2012 Plan will be available for review at the Meeting and prior thereto at the Company's offices at 1100 - 543 Granville Street, Vancouver, BC, V6C 1X8 during normal business hours.

Accordingly, at the Meeting, shareholders will be asked to pass an ordinary resolution in the following form:

> "UPON MOTION IT WAS RESOLVED that the Company's 2012 Stock Option Plan (as referred to in the Company's Information Circular dated April 19, 2012), pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the common shares then outstanding of the Company, with such further and other amendments as may be required by the TSX Venture Exchange, be and is hereby authorized, confirmed and approved."

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and recommend that shareholders of the Company vote in favour of the resolution.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of the 2012 Plan.

ADDITIONAL INFORMATION

Additional information about the Company is located on SEDAR at www.sedar.com. Shareholders may contact the Company at 1100 – 543 Granville Street, Vancouver, British Columbia V6C 1X8 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for the Company's most recently completed financial year.

OTHER MATTERS

Management of the Company is not aware of any matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED April 19, 2012.

APPROVED BY THE BOARD OF DIRECTORS

"Frederick W. Davidson"

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Frederick W. Davidson
President & Chief Executive Officer

Please direct all inquiries to:

Questions and Further Assistance
If you have any questions about the information contained in this document or require assistance in completing your proxy form, please contact our proxy solicitation agent at:

Georgeson

North American Toll Free Number: 1-866-783-6756
Email: askus@georgeson.com