VISTA GOLD CORP
Form DEF 14A
April 09, 2010

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934 (Amendment No. ___)

[x] Filed by the Registrant
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VISTA GOLD CORP.
(Name of Registrant As Specified In Its Charter)

NOT APPLICABLE
(Name of Person(s) Filing Proxy Statement if other than the Registrant)

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VISTA GOLD CORP.

NOTICE OF MEETING
AND
MANAGEMENT INFORMATION
AND PROXY CIRCULAR

for the
Annual General and Special Meeting
to be held on
Monday, May 3, 2010

The attached Notice of Meeting, Management Information and Proxy Circular, and form of proxy and notes thereto for the Meeting are first being sent to shareholders of the Corporation on or about April 8, 2010.

7961 Shaffer Parkway · Suite 5 · Littleton, CO USA 80127

Telephone: (720) 981-1185 · Facsimile (720) 981-1186

March 26, 2010

Dear shareholder:

It is my pleasure to invite you to attend the annual general and special meeting of shareholders to be held on Monday, May 3, 2010 at 10:00 a.m., Vancouver time, at the offices of Borden Ladner Gervais LLP, Suite 1200, 200 Burrard Street, Vancouver, British Columbia, Canada. If you are unable to attend this meeting in person, please complete, date, sign and return the enclosed form of proxy to ensure that your vote is counted.

The Notice of Meeting, Management Information and Proxy Circular and form of proxy and notes thereto for the meeting, together with a reply card for use by shareholders who wish to receive the Corporation's annual and interim financial statements, are enclosed. These documents contain important information and I encourage you to read them carefully.

Yours truly,

Michael B. Richings
Executive Chairman and
Chief Executive Officer

VISTA GOLD CORP.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN THAT the 2010 annual general and special meeting (the "Meeting") of the shareholders of Vista Gold Corp. (the "Corporation") will be held at the offices of Borden Ladner Gervais LLP, Suite 1200, 200 Burrard Street, Vancouver, British Columbia, Canada on Monday, May 3, 2010 at 10:00 a.m., Vancouver time, for the following purposes:

1. to receive the annual report to shareholders and the consolidated financial statements of the Corporation, together with the auditor's report thereon, for the fiscal year ended December 31, 2009;

2. to elect directors to hold office until the next annual general meeting;

3. to appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditor to hold office until the next annual general meeting at a remuneration to be fixed by the Board of Directors through the Audit Committee;

4. to consider and, if thought appropriate, approve, an ordinary resolution approving the amendments to the Corporation's Stock Option Plan, as more particularly described in the accompanying management information and proxy circular of the Corporation (the "Information Circular"), the full text of which ordinary resolution is set out in Appendix "B" to the Information Circular as the "Stock Option Plan Amendment Resolution";

5. to consider and, if thought appropriate, approve, an ordinary resolution approving the adoption of a Long Term Equity Incentive Plan, as more particularly described in the Information Circular, the full text of which ordinary resolution is set out in Appendix "B" to the Information Circular as the "LTIP Resolution"; and

6. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Accompanying this Notice of Meeting are (i) the Information Circular, (ii) a form of proxy and notes thereto, and (iii) a reply card for use by shareholders who wish to receive the Corporation's annual and interim financial statements.

The Board of Directors has fixed March 23, 2010, as the record date for the Meeting.

If you are a registered shareholder of the Corporation and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy for the Meeting and deposit it with Computershare Investor Services Inc. by mail at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department or by facsimile at 1-866-249-7775 (toll free in North America) or 1-416-263-9524 (international), before 1:00 p.m., Toronto time, on Friday, April 30, 2010, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting.

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary.

This Notice of Meeting, the Information Circular, the form of proxy and notes thereto for the Meeting, and the reply card, are first being sent to shareholders of the Corporation on or about April 8, 2010.

DATED at Littleton, Colorado, this 26th day of March, 2010.

BY ORDER OF THE BOARD OF DIRECTORS

Michael B. Richings
Executive Chairman and
Chief Executive Officer

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MANAGEMENT INFORMATION AND PROXY CIRCULAR

This Management Information and Proxy Circular ("Information Circular") is furnished in connection with the solicitation by the management of Vista Gold Corp. (the "Corporation") of proxies to be voted at the annual general and special meeting (the "Meeting") of the shareholders of the Corporation ("shareholders") to be held at the offices of Borden Ladner Gervais LLP, Suite 1200, 200 Burrard Street, Vancouver, British Columbia, Canada on Monday, May 3, 2010 at 10:00 a.m., Vancouver time, for the purposes set forth in the accompanying Notice of Meeting.

It is anticipated that this Information Circular and the accompanying form of proxy, will be first mailed to shareholders on or about April 8, 2010. Unless otherwise stated, the information contained in this Information Circular is given as at March 26, 2010.

The executive office of the Corporation is located at 7961 Shaffer Parkway, Suite 5, Littleton, Colorado, USA, 80127 and its telephone number is (720) 981-1185. The registered and records office of the Corporation is located at 200 - 204 Lambert Street, Whitehorse, Yukon Territory, Canada, Y1A 3T2.

Advance notice of the Meeting was published in The Globe and Mail newspaper on March 8, 2010, in La Presse on March 9, 2010, and in the Whitehorse Star newspaper on March 12, 2010.

All references to currency in this Information Circular are in United States dollars, unless otherwise indicated.

Information regarding the proxies solicited by management in connection with the Meeting is set out below under "Information About Proxies".

Particulars of Matters to be Acted Upon

Election of Directors

The directors of the Corporation are elected at each annual general meeting and hold office until the close of the next annual general meeting or until their successors are duly elected or appointed, unless their office is earlier vacated in accordance with the Business Corporations Act (Yukon). Management proposes to nominate each of the following six persons for election as a director of the Corporation. Proxies cannot be voted for a greater number of persons than the number of nominees named. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted "FOR" the nominees listed below.

Name, Residence, Position and Age	Principal Occupation, Business or Employment	Director Since
John M. Clark(1)(2)(3) Toronto, Ontario, Canada Director Age — 54	Chartered Accountant; President of Investment and Technical Management Corp., since February 1999; Director of Marketvision Direct, Inc.; Former director of Thunder Energy Inc., Thunder Energy Trust and Alberta Clipper Inc.; Former Chief Financial Officer and a director of Polaris Geothermal Inc.	May 18, 2001
W. Durand Eppler(1)(3) Denver, Colorado, USA Director Age — 56	Businessman; President of New World Advisors, LLC, since August 2004; Founding partner of Sierra Partners, LLC; Director of Augusta Resource Corporation and Golden Minerals Company; Former director of Allied Nevada Gold	October 13, 2004

Corp. from March 2007 to June 2009; Former Chairman and a director of NEMI Northern Energy & Mining Inc. from March 2007 to March 2009; Former Chief Executive Officer and a director of Coal International plc from July 2005 to August 2008; Former Vice President of Newmont Mining Corporation, from 1995 to November 2004, serving as Vice President of Corporate Development from January 2001 to March 2002, and as Vice President of Newmont Capital, Ltd., from April 2002 to August 2004.

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C. Thomas Ogryzlo(1)(2)(3) San Jose, Costa Rica Director Age — 70	Businessman; President and Chief Executive Officer of Polaris Energy Corp. since May 2000; Director of Aura Minerals Inc. and Baja Mining Corp.; Former President, Chief Executive Officer and a director of Polaris Geothermal Inc., from June 2004 to October 2009; Former director of Tiomin Resources Inc. from September 1995 to December 2008; Former director and Non-Executive Chairman of Birim Goldfields Inc. from August 2001 to February 2008; Former President and Chief Executive Officer of Canatec Development Corporation, from January 2000 to 2003; Former President and Chief Executive Officer of Black Hawk Mining Inc. and its subsidiary Triton Mining Corporation, from July 1997 to January 2000.	March 8, 1996
Tracy A. Stevenson(1)(2)(3) Sandy, Utah, USA Director Age — 59	Accountant, Businessman; Non-Executive Chairman of Quaterra Resources Inc. since February 2008 and a director of Quaterra Resources Inc. since July 2007; Founding member of Bedrock Resources, LLC since 2010; Founding member of SOS Investors since 2008; Former Global Head of Information Systems at Rio Tinto PLC from February 2006 to May 2007; Former Global Head of Business Process Improvement at Rio Tinto PLC from December 2000 to January 2006; Former Executive Vice President, Chief Financial Officer and a director of Comalco Ltd. from 1997 to 2000; Former Chief Financial Officer and a director of Kennecott Corporation from 1993 to 1997.	November 6, 2007
Michael B. Richings Port Ludlow, Washington, USA Director, Executive Chairman and Chief Executive Officer Age — 65	Executive Chairman and Chief Executive Officer of the Corporation since November 2007; Former director of Allied Nevada Gold Corp. from September 2006 to June 2009; Former director of Zaruma Resources Inc. from November 2005 to June 2009; Former Chief Executive Officer of the Corporation from August 2007 to November 2007; Former director of Triumph Gold Corp. from January 2004 to November 2006; Former President and Chief Executive Officer of the Corporation from May 2004 to July 2007.	May 1, 1995
Frederick H. Earnest Parker, Colorado, USA Director, President and Chief Operating Officer Age — 48	President and Chief Operating Officer of the Corporation since August 2007; Former Senior Vice President, Project Development of the Corporation from September 2006 to August 2007; Former President of Pacific Rim El Salvador, S.A. de C.V. from June 2004 to September 2006; Former General Manager and Legal Representative of Compañía Minera Dayton from April 1998 to June 2004.	November 6, 2007

(1) Member of Compensation Committee.

(2) Member of Audit Committee.

(3) Member of Corporate Governance Committee.

The information as to the residence and principal occupation of the nominees listed in the above table is not within the knowledge of the management of the Corporation, and has been furnished by the individual nominees as of March 26, 2010.

The following are brief biographies of the Corporation's nominees for election to the Corporation's board of directors (the "Board of Directors" or the "Board"):

John M. Clark, BCom, CA, Director. John Clark has served as President of Investment and Technical Management Corp., a firm engaged in corporate finance and merchant banking, since February 1999. Mr. Clark is also currently a director of Marketvision Direct, Inc. Over the past five years, he served as Chief Financial Officer and a director of Polaris Geothermal Inc., from June 2004 to October 2009, and as a director of Thunder

Energy Inc., Thunder Energy Trust and Alberta Clipper Inc. Mr. Clark is a member of the audit committee for Marketvision Direct, Inc. He earned a Bachelor of Commerce Degree from the University of Witwatersrand in South Africa in 1977, and he received a Higher Diploma in Accountancy from the University of Witwatersrand in 1979. Mr. Clark is currently the Chair of the Corporation's Audit Committee, and a member of the Corporation's Compensation and Governance Committees. He has been a director of the Corporation since May 18, 2001.

Mr. Clark had a solid background as a chartered accountant before becoming an accomplished entrepreneur involved in investment banking and in investment and management of national resource companies in Canada. Mr. Clark brings these skills and experiences to the Corporation as a director. Furthermore, he has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board. Accordingly, the Corporation believes that Mr. Clark should once again serve on the Board of Directors.

W. Durand Eppler, B.A., M.Sc., Director. Randy Eppler has served as President of New World Advisors, LLC, an advisory and investment firm, since August 2004, and is the founding partner of Sierra Partners, LLC, a resources advisory firm. Mr. Eppler is currently a director of Augusta Resource Corporation and Golden Minerals Company. Previously, Mr. Eppler was a director of Allied Nevada Gold Corp. from March 2007 to June 2009, Chairman and a director of NEMI Northern Energy & Mining Inc. from March 2007 to March 2009, Chief Executive Officer and a director of Coal International plc from July 2005 until August 2008, and Vice President of Newmont Mining Corporation, a gold mining company, from 1995 until November 2004 (serving as Vice President of Corporate Development from January 2001 to March 2002, and subsequently as Vice President of Newmont Capital, Ltd., the merchant banking arm of Newmont Mining Corporation, from April 2002 to August 2004). Mr. Eppler is a member of the audit committee for Augusta Resource Corporation and Golden Minerals Company. In addition, for the last 30 years Mr. Eppler has been a member of the Society of Mining Engineers of the American Institute of Mining, Metallurgical and Petroleum Engineers A.I.M.E., and since 2001 has been a member of the Global Leadership Council for the College of Business at Colorado State University. He graduated from Middlebury College in 1975 with a Bachelor of Arts Degree in Geography and Religion, and he received his Master of Science Degree in Mineral Economics from the Colorado School of Mines in 1977. Mr. Eppler is currently the Chair of the Corporation's Compensation Committee and a member of the Corporation's Governance Committee. He has been a director of the Corporation since October 13, 2004.

Given the international reputation and wealth of experience that Mr. Eppler has in the commercial and investment banking aspects of the global resource sector, the Corporation believes that he should once again serve on the Board of Directors to help further develop the business and success of the Corporation. Furthermore, Mr. Eppler has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board.

C. Thomas Ogryzlo, B.Mech.Eng., P.Eng, Director. Thomas Ogryzlo has served as President and Chief Executive Officer of Polaris Energy Corp. since May 2000. In addition, Mr. Ogryzlo is currently a director of Aura Minerals Inc. and Baja Mining Corp. Previously, he served as President, Chief Executive Officer and a director of Polaris Geothermal Inc., a TSX listed renewable energy company, from June 2004 to October 2009, as a director of Tiomin Resources Inc. from September 1995 to December 2008, and as a director and Non-Executive Chairman of Birim Goldfields Inc. from August 2001 to February 2008. Furthermore, he served as President and Chief Executive Officer of Canatec Development Corporation, a resource management company, from January 2000 to 2003, and as President and Chief Executive Officer of Black Hawk Mining Inc. and its subsidiary Triton Mining Corporation, both gold mining companies, from July 1997 to January 2000. Mr. Ogryzlo is a member of the Advisory Committee of the Osisko/Clifton Star Joint Venture Exploration Program for the Duparquet gold project. He earned his Bachelor of Mechanical Engineering Degree from McGill University in 1961, and his designation as a Professional Engineer from

the Professional Engineers of Ontario in 1966. Mr. Ogryzlo is currently the Chair of the Corporation's Corporate Governance Committee, and a member of the Corporation's Compensation and Audit Committees. Mr. Ogryzlo has been a director of the Corporation since March 8, 1996.

Mr. Ogryzlo brings a perspective to the Corporation that has been built on a solid foundation and in-depth knowledge of Canada's mining sector. Furthermore, he has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board. As such, the Corporation believes that Mr. Ogryzlo should once again serve on the Board of Directors.

Tracy A. Stevenson, B.Sc., CPA, Director. Mr. Stevenson has served as a director of Quaterra Resources Inc. since July 2007, and as its Non-Executive Chairman since February 2008. Mr. Stevenson is also a founding member of Bedrock Resources, LLC, a private resources financial advisory firm since 2010 and SOS Investors, a private resources investment firm since 2008. Previously, Mr. Stevenson served as Global Head of Information Systems at Rio Tinto PLC, a major global mining company, from February 2006 to May 2007, and as Global Head of Business Process Improvement at Rio Tinto PLC from December 2000 to January 2006. In addition, he served as Executive Vice President, Chief Financial Officer and a director of Comalco Ltd. from 1997 to 2000, and as Chief Financial Officer and a director of Kennecott Corporation from 1993 to 1997. Mr. Stevenson graduated Magna Cum Laude with a Bachelor of Science Degree in Accounting from the University of Utah in 1977, and he earned his designation as a Certified Public Accountant in the State of Utah in 1978. Mr. Stevenson is currently a member of the Corporation's Audit, Compensation and Governance Committees. He has been a director of the Corporation since November 6, 2007.

Mr. Stevenson began his career in public accounting before moving to senior financial, information technology and management positions in two of the world's largest mining companies. Mr. Stevenson brings these skills and experiences to the Corporation as a director. Furthermore, he has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board. As such, the Corporation believes that Mr. Stevenson should once again serve on the Board of Directors.

Michael B. Richings, M.Sc., Executive Chairman, Chief Executive Officer and Director. Mike Richings has served as the Corporation's Executive Chairman and Chief Executive Officer since November 2007. Previously, Mr. Richings was a director of Allied Nevada Gold Corp. from September 2006 to June 2009, a director of Zaruma Resources Inc. from November 2005 to June 2009, and a director of Triumph Gold Corp. from January 2004 to November 2006. In addition, Mr. Richings served as Chief Executive Officer of the Corporation from August 2007 to November 2007, and as President and Chief Executive Officer of the Corporation from May 2004 until July 2007. From June 1995 to September 2000, he served as President and Chief Executive Officer of the Corporation, and during the period from September 2000 to May 2004, Mr. Richings retired from his position as Chief Executive Officer of the Corporation (but continued as a director of the Corporation and served as a consultant to the mining industry). He was awarded an Associateship of the Camborne School of Mines in 1969, and he earned his Master of Science Degree from Queen's University in 1971. Mr. Richings has been a director of the Corporation since May 1, 1995.

Mr. Richings has been with the Corporation for the past 15 years and, given his leadership skills, enterprising nature and knowledge of the mining industry, the Corporation believes that he is a valued member of management. Furthermore, he has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board. Accordingly, the Corporation believes that Mr. Richings should once again serve on the Board of Directors.

Frederick H. Earnest, B.Sc., President, Chief Operating Officer and Director. Fred Earnest has served as President and Chief Operating Officer of the Corporation since August 2007. Previously, Mr. Earnest served as Senior Vice President, Project Development of the Corporation from September 2006 to August 2007. In addition, he served as President of Pacific Rim El Salvador, S.A. de C.V., a mining company, from June 2004 to September 2006, and as

General Manager and Legal Representative of Compañía Minera Dayton, a mining company, from April 1998 to June 2004 (both companies were subsidiaries of Pacific Rim Mining Corp.). He earned a Bachelor of Science Degree in Mining Engineering from the Colorado School of Mines in 1987. Mr. Earnest has been a director of the Corporation since November 6, 2007.

The Corporation believes that the leadership skills and dynamic nature that Mr. Earnest has would make him an invaluable member of management. Furthermore, Mr. Earnest has demonstrated both integrity and high ethical standards in his business dealings and personal affairs to date, qualities which a person must possess under the Mandate of the Board of Directors (attached as Appendix "E") in order to be considered for nomination and election to the Board. Accordingly, the Corporation believes that Mr. Earnest should once again serve on the Board of Directors.

There are no family relationships among any directors, officers or persons nominated to be directors of the Corporation. No directors of the Corporation are also directors of issuers with a class of securities registered under Section 12 of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act") (or which otherwise are required to file periodic reports under the Exchange Act) except for W. Durand Eppler who is a director of Augusta Resource Corporation and Golden Minerals Company, and Tracy A. Stevenson who is a director of Quaterra Resources Inc.
None of the above directors has entered into any arrangement or understanding with any other person pursuant to which he was, or is to be, elected as a director of the Corporation or a nominee of any other person.

No director or officer of the Corporation is a party adverse to the Corporation or any of its subsidiaries, or has a material interest adverse to the Corporation or any of its subsidiaries. During the past ten years, no director or executive officer of the Corporation has:

(a) filed or has had filed against such person a petition under the federal bankruptcy laws or any state insolvency law, nor has a receiver, fiscal agent or similar officer been appointed by a court for the business or property of such person, or any partnership in which such person was a general partner at or within two years before the time of filing, or any corporation or business association of which such person was an executive officer at or within two years before such filings;

(b) been convicted or pleaded guilty or nolo contendere in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offences);

(c) been the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting such person's activities in any type of business, securities, trading, commodity or banking activities;

(d) been the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any federal or state authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any type of business, securities, trading, commodity or banking activities, or to be associated with persons engaged in any such activity;

(e) been found by a court of competent jurisdiction in a civil action or by the U.S. Securities and Exchange Commission, or by the U.S. Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;

(g) been the subject of, or a party to, any U.S. federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any U.S. federal or state securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or

(h)

been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C.78c(a)(26))), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C.1(a)(29))), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Additional information regarding the various committees of the Board of Directors, and the attendance of each director at meetings of the Board of Directors and its committees held during 2009, is set out below under “Corporate Governance”.

Directors will be elected by a plurality of the votes cast by shareholders who vote in person or by proxy at the Meeting. Cumulative voting (i.e., a form of voting where shareholders are permitted to cast all of their aggregate votes for a single nominee) will not be permitted. The directors must be elected by an affirmative vote of a plurality of the votes cast, either in person or by proxy, at the Meeting on this matter.

Appointment of Auditor

The Corporation has proposed the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia, as the auditor of the Corporation to hold office until the close of the next annual general meeting of the Corporation or until a successor is appointed. It is proposed that the remuneration to be paid to the auditor be fixed by the Board of Directors through the Audit Committee. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted “FOR” the re-appointment of PricewaterhouseCoopers LLP as the auditor of the Corporation to hold office until the close of the next annual general meeting of the Corporation or until a successor is appointed and that the remuneration to be paid to the auditor be fixed by the Board of Directors through the Audit Committee. PricewaterhouseCoopers LLP (then Coopers & Lybrand) was first appointed the auditor of the Corporation on June 28, 1985.

Representatives of PricewaterhouseCoopers LLP are expected to be present at the Meeting and to be available to respond to appropriate questions from persons present at the Meeting. If representatives of PricewaterhouseCoopers LLP are present at the Meeting, the Chairman of the Meeting will provide such representatives with the opportunity to make a statement if they so desire.

The auditors must be appointed by an affirmative vote of a simple majority of the votes cast, either in person or by proxy, at the Meeting on this matter.

Fees Paid to Auditor and their Independence from the Corporation

The Corporation retained PricewaterhouseCoopers LLP to provide services which were billed for the years ended December 31, 2009 and 2008 in the following categories and amounts:

	2009	2008
Audit Fees(1)	Cdn.$301,150	Cdn.$314,180
Audit Related Fees(2)	Cdn.$75,500	—
Tax Fees(3)	Cdn.$116,655	Cdn.$103,963
All Other Fees(4)	—	—
Totals	Cdn.$493,305	Cdn.$418,143

(1) “Audit Fees” represent fees for the audit of the Corporation’s consolidated annual financial statements, review of the Corporation’s interim financial statements, and review in connection with regulatory financial filings.

(2) “Audit Related Fees” represent fees for assistance with the application of accounting and financial reporting standards.

(3) "Tax Fees" represent fees for tax compliance, tax consulting and tax planning.

(4) For 2009 and 2008, no other fees were paid for legal compliance and business practice reviews, financial information systems design and implementation, internal audit co-sourcing services or other matters not covered by Audit Fees, Audit Related Fees or Tax Fees.

Policy on Pre-Approval by Audit Committee of Services Performed by Independent Auditors

The Audit Committee has adopted procedures requiring the Audit Committee to review and approve in advance of all particular engagements for services provided by the Corporation's independent auditor. Consistent with applicable laws, the procedures permit limited amounts of services, other than audit, review or attest services, to be approved by one or more members of the Audit Committee pursuant to authority delegated by the Audit Committee, provided the Audit Committee is informed of each particular service. All of the engagements and fees for 2009 were pre-approved by the Audit Committee. The Audit Committee reviews with

PricewaterhouseCoopers LLP whether the non-audit services to be provided are compatible with maintaining the auditor's independence. The Board has determined that fees paid to the independent auditors for non-audit services in any year will not exceed the fees paid for audit services during the year. Permissible non-audit services will be limited to fees for tax services, accounting assistance or audits in connection with acquisitions, and other services specifically related to accounting or audit matters such as audits of employee benefit plans.

Amendment to the Stock Option Plan

The Corporation has proposed amendments to its stock option plan (the "Stock Option Plan") to:

(a) amend the insider participation limits in the Stock Option Plan to align with the insider participation limits in the Toronto Stock Exchange Company Manual;

(b) amend the maximum number of Common Shares reserved for issuance under the Stock Option Plan so that the maximum number of Common Shares issuable under the Stock Option Plan, together with any other Security Based Compensation Arrangements (as defined in the Toronto Stock Exchange Company Manual) is 10% of the issued and outstanding Common Shares on a non-diluted basis; and

(c) amend the amending provisions of the Stock Option Plan to provide further clarity as to the approvals necessary to amend the terms of the Stock Option Plan and any outstanding options thereunder.

The amendments are described in further detail below and were approved by the Board of Directors of the Corporation on March 8, 2010. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted "FOR" the proposed amendments to the Stock Option Plan.

Amendments to Insider Participation Limits

The Board believes it is in the best interests of the Corporation to amend the Stock Option Plan to include the "insider participation limits" outlined in the Toronto Stock Exchange Company Manual. The Stock Option Plan currently provides that the maximum number of shares reserved for issuance to any individual under the Stock Option Plan is

equivalent to 5% of the issued and outstanding Common Shares. The Board believes the Stock Option Plan should be amended to include not just the current restriction on Common Shares issuable to any one individual, but to provide a further restriction limiting the maximum number of Common Shares issuable to insiders of the Corporation (together with Common Shares issuable under all security based compensation arrangements of the Corporation) at 10% of the issued and outstanding Common Shares on a non-diluted basis, and limiting the maximum number of Common Shares issued to insiders within any one year period (together with Common Shares issued under all security based compensation arrangements of the Corporation) at 10% of the issued and outstanding Common Shares on a non-diluted basis.

Amendments to the Maximum Number of Common Shares Issuable Under the Stock Option Plan

The Stock Option Plan currently provides that the maximum number of Common Shares, which may be issuable pursuant to options granted under the Stock Option Plan shall not exceed 10% of the total number of Common Shares as of the date of the grant on a non-diluted basis. As a result of the proposal to adopt a Long Term Equity Incentive Plan, the Board believes it is in the best interests of the Corporation to amend the Stock Option Plan to clarify that it does not intend the approval of the Long Term Equity Incentive Plan to increase the number of Common Shares issuable under the security based compensation arrangements of the Corporation. Specifically, the Board believes the Stock Option Plan should be amended to clarify that the maximum number of Common Shares issuable under the

Stock Option Plan, together with any other security based compensation arrangements of the Corporation, shall be equal to, and not exceed at any time, 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis.

Amendments to the Amending Provisions of the Stock Option Plan

Effective January 1, 2005, the Toronto Stock Exchange (the "TSX") introduced new rules regarding the procedures for amending security based compensation arrangements which provide that in order for an issuer to amend a security based compensation arrangement or an agreement or entitlement subject to a security based compensation arrangement, the security based compensation arrangement must specify whether securityholder approval is required for that type of amendment. The Stock Option Plan currently contains very broad general

amendment provisions. Accordingly, the Board believes that it is in the best interests of the Corporation to amend the Stock Option Plan to provide greater certainty with respect to the necessary approvals required to make amendments to the Corporation's Stock Option Plan and outstanding options. The Board believes it is necessary and expedient to outline the nature of amendments the Board is permitted to make, the nature of amendments that will require shareholder approval and the nature of amendments that require disinterested shareholder approval.

Under the proposed amendments to the Stock Option Plan, the Board of Directors may amend the Stock Option Plan at any time; provided, however that no such amendment may, without the consent of a participant adversely alter or impair any option previously granted to such participant. Any amendment to be made to the Stock Option Plan or an option granted thereunder is subject to the prior approval of the TSX and the NYSE Amex Equities (together, the "Exchanges") and, if required by the rules of the Exchanges, the shareholders of the Corporation.

Under the proposed amendments to the Stock Option Plan, the Board shall expressly have the power and authority to approve amendments relating to the Stock Option Plan or a specific option without further approval of the shareholders of the Corporation, to the extent that such amendments relate to, among other things:

(a) altering, extending or accelerating the terms of vesting applicable to any option or group of options;

(b) altering the terms and conditions of vesting applicable to any option or group of options;

(c) changing the termination provisions of an option, provided that the change does not entail an extension beyond the original expiry date of such option;

(d) accelerating the expiry date of options;

(e) the application of sections 6.8 and 6.9 of the Stock Option Plan;

(f) effecting amendments respecting the administration of the Stock Option Plan;

(g) amending the definitions contained within the Stock Option Plan;

(h) effecting amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error, inconsistency or omission in or from the Stock Option Plan or any option agreement;

(i) effecting amendments necessary to comply with the provisions of applicable laws (including, without limitation, the rules, regulations and policies of the Exchanges), or necessary or desirable for any advantages or other purposes of any tax law (including, without limitation, the rules, regulations, and policies of the Canada Revenue Agency, the Internal Revenue Service or any taxation authority);

(j) amending or modifying the mechanics of exercise of the options; and

(k) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law (including, without limitation, the rules, regulations, and policies of the Exchanges).

The amendments to the amendment provisions of the Stock Option Plan will expressly require shareholder approval for:

(a)

amendments to the Stock Option Plan that could increase the number of Common Shares issuable under the Stock Option Plan;

(b) any reduction in the exercise price of an option if the related participant is not an insider of the Corporation at the time of the reduction;

(c) amendments to the amendment provisions of the Stock Option Plan; and

(d) any other amendments requiring shareholder approval under applicable law.

The amendments to the amendment provisions of the Stock Option Plan will expressly require disinterested shareholder approval for:

(a) amendments that could result at any time in the number of Common Shares reserved for issuance to insiders of the Corporation exceeding 10% of the issued and outstanding Common Shares;

(b) any reduction in the exercise price of an option if the participant is an insider of the Corporation at the time of the reduction;

(c) any extension of the term of options that have been granted to insiders of the Corporation, other than an extension to 10 business days after the end of a black-out period if the expiry date would otherwise fall within such black-out period; and

(d) any other amendments requiring disinterested shareholder approval under applicable law.

Approval Required

At the Meeting, shareholders will be asked to consider and, if thought appropriate, approve, an ordinary resolution approving the amendments to the Stock Option Plan described above.

The text of the ordinary resolution to approve the amendments to the Stock Option Plan is set out in Part I of Appendix "B" to this Information Circular. A complete copy of the Stock Option Plan with the proposed amendments highlighted is attached as Appendix "C". Additional information on the Stock Option Plan is set out below under "Compensation Committee Report on Executive Compensation — Compensation Discussion and Analysis — Elements of Our Compensation Program for Fiscal 2009 — Stock Options".

Shareholder approval of the proposed amendments to the Stock Option Plan is required pursuant to the terms of the Stock Option Plan and the rules and policies of the TSX.

To be approved, the ordinary resolution approving the amendments to the Stock Option Plan requires the approval of a majority of the votes cast, in person or by proxy, at the Meeting. The persons named in the enclosed

form of proxy intend to vote at the Meeting "FOR" this resolution, unless the shareholder has specified in the form of proxy that its shares are to be voted against the resolution.

Approval of Long Term Equity Incentive Plan

On March 8, 2010, the Board of Directors approved a new Long Term Equity Incentive Plan (the "LTIP"), subject to shareholders' approval. The purpose of the LTIP is to assist the Corporation in attracting, retaining and motivating key employees, directors, officers and consultants of the Corporation and its subsidiaries, and to more closely align the personal interests of such persons with shareholders, thereby advancing the interests of the Corporation and its shareholders and increasing the long-term value of the Corporation.

If approved, the LTIP is intended to compliment (not replace) the Corporation's existing Stock Option Plan. As of March 26, 2010, there were 2,788,145 Common Shares issuable under issued and outstanding options under the Stock Option Plan (6.2% of the total number of issued and outstanding Common Shares of the Corporation) and 1,679,757 Common Shares remaining for future grant under the Stock Option Plan (3.8% of the total number of issued and outstanding Common Shares of the Corporation). Based on the closing price of the Corporation's Common Shares on March 25, 2010 of $1.96, as quoted on the NYSE Amex Equities, the current market value of the Common Shares issuable under the Stock Option Plan and the LTIP is $8,757,087.92. The Board of Directors is not seeking to increase the number of Common Shares available for grant under the Corporation's equity compensation plans. As described above under the heading "Amendment to the Stock Option Plan", it is intended that the maximum number of Common Shares available for issuance under the Stock Option Plan, together with all other security based compensation arrangements of the Corporation, which will include the LTIP if approved by the shareholders, be and remain as 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis.

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The Board of Directors believes that the following factors should be considered in connection with the approval of the LTIP:

- Equity compensation remains a key component of a competitive compensation package of the Corporation's industry and the Corporation believes it effectively rewards employees for the success of the Corporation over time.

- In addition to stock options under the Stock Option Plan, the LTIP would enable the Corporation to grant other forms of long-term incentives, such as restricted stock units and restricted stock awards. The Corporation believes this will allow the flexibility in the future to tailor the long-term incentives to fit business conditions as they evolve.

- The maximum number of Common Shares issuable under the Stock Option Plan and the LTIP will remain the same number of Common Shares currently available under the existing Stock Option Plan.

- The Board of Directors intends to delegate the administration of the LTIP to the Corporation's Compensation Committee which is comprised solely of non-employee directors.

- The LTIP contains limitations on insider and non-management director participation.

- All grants of restricted stock units and restricted stock awards will be subject to a minimum vesting period of one year.

The following is a brief summary of the material terms of the LTIP. This summary is qualified in its entirety by the full text of the LTIP which is set out in Appendix "D" of this Information Circular. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted "FOR" the proposed adoption of the LTIP.

Description of the LTIP

Effective Date

If approved by the shareholders of the Corporation, the LTIP will be effective as of March 8, 2010, the date the Board of Directors approved the LTIP.

Eligibility

The LTIP is available to: (i) current full-time or part-time employees or officers of the Corporation or an affiliate ("Employee Participants"); (ii) directors who are not employees of the Corporation or an affiliate ("Director Participants"); and (iii) an individual or consultant company providing services to the Corporation or an affiliate under written agreement ("Consultant Participant").

For the purposes of the LTIP and this Information Circular, a "Participant" shall mean an Employee Participant or a Consultant Participant, but not a Director Participant.

Number of Shares Reserved for Issuance under the LTIP

The aggregate number of Common Shares of the Corporation issuable under the LTIP, together with shares reserved for issuance under all of the Corporation's other security-based compensation arrangements, which includes the Stock Option Plan, shall not exceed 10% of the Corporation's issued and outstanding Common Shares on a non-diluted basis.

Limitations on Issuance to Insiders and Director Participants

The total number of Common Shares issuable to insiders of the Corporation at any time and issued to insiders of the Corporation within any one-year period under the LTIP, together with any other security-based compensation arrangements of the Corporation, shall not exceed 10% of the issued and outstanding Common Shares of the Corporation on a non-diluted basis. The total number of Common Shares issuable to Director Participants under the LTIP shall not exceed the lesser of: (i) 1% of the issued and outstanding Common Shares of the Corporation; and (ii) an annual award value of $100,000 per Director Participant.

Administration

The LTIP shall be administered by the Board of Directors or, upon delegation by the Board of Directors, by a committee of the Board of Directors (the "Committee") consisting of two or more directors of the Corporation, each of whom must be a "non-employee director" for the purposes of Section 16 of the Exchange Act and Rule 16b-3 thereunder, and an "outside director" within the meaning of the Code. The Board of Directors intends to delegate the administration of the LTIP to the Corporation's Compensation Committee which is comprised solely of non-employee directors.

The Committee will determine the persons to whom awards are to be made, determine the type, size, terms and conditions of awards, determine the prices to be paid for awards, interpret the LTIP, adopt, amend and rescind administrative guidelines and other rules and regulations relating to the LTIP, and make all other determinations and take all other actions it believes are necessary or advisable for the implementation and administration of the LTIP. The day-to-day administration of the LTIP may be delegated to such officers and employees of the Corporation as the Committee determines.

Restricted Share Units

The LTIP provides that the Committee may, from time to time and in its sole discretion, grant awards of restricted share units ("RSUs") to any Participant or Director Participant. RSUs are not Common Shares, but rather represent a right to receive from the Corporation at a future date newly-issued Common Shares of the Corporation. All grants of RSUs will be evidenced by an award agreement, substantially in the form of Schedule "A" to the LTIP. The award agreement will contain such provisions as are required by the LTIP and any other provisions the Committee may direct.

The Committee will have the authority to make receipt of Common Shares under the RSUs conditional upon the expiry of a time-based vesting period, the attainment of specified performance goals or such other factors as the Committee may determine in its discretion. The duration of the vesting period and other vesting terms applicable to a grant of RSUs shall be determined at the time of the grant by the Committee provided that such vesting period shall be a minimum of one year in duration.

Upon expiry of the applicable vesting period or at such later date as may be otherwise specified in the award agreement, the RSUs shall be redeemed and a share certificate representing the Common Shares issuable pursuant to the RSUs shall be registered in the name of the Participant or Director Participant, or as the Participant or Director Participant may direct, subject to applicable securities laws.

The actual issuance of Common Shares underlying the RSUs shall occur as soon as practicable following the applicable redemption date specified in the award agreement and the Participant's or Director Participant's satisfaction of any required tax withholding obligations, but in no event later than: (i) for a Participant resident in the United States, 60 days following the redemption date; or (ii) for a Paricipant resident in Canada, the earlier of: (a) 60 days following the applicable redemption date; and (b) December 31 of the third calendar year following the year of service for which the RSU was granted.

Except as otherwise determined by the Committee, upon a Termination Date (as defined in the LTIP) during the applicable vesting period, all applicable RSUs at such time not yet vested shall be forfeited and reacquired by the Corporation.

RSUs shall be settled in Common Shares, unless the Corporation offers the Participant or Director Participant the right to receive cash in lieu of Common Shares based on the Fair Market Value (as defined in the LTIP) that such Common

Shares would have at the time of settlement and the Participant or Director Participant, in its discretion, so elects.

Restricted Stock

The Committee may, from time to time, grant Participants or Director Participants, subject to the terms and conditions of the LTIP and any additional terms and conditions determined by the Committee, awards of Common Shares of the Corporation subject to certain restrictions imposed by the Committee ("Restricted Stock" and together with RSUs, an "Award"). All grants of Restricted Stock will be evidenced by an award

agreement, substantially in the form of Schedule "B" to the LTIP. The award agreement will contain such provisions as are required by the LTIP and any other provisions the Committee may direct.

The Committee will have the authority to make the lapse of restrictions applicable to Restricted Stock conditional upon the expiry of a time-based vesting period, the attainment of specified performance goals or such other factors as the Committee may determine in its discretion. The duration of the vesting period and other vesting terms applicable to a grant of Restricted Stock shall be determined at the time of the grant by the Committee provided that such vesting period shall be a minimum of one year in duration. Notwithstanding certain provisions that allow the Committee to accelerate vesting of Restricted Stock, the Committee does not intend to use this discretion in the ordinary course to accelerate the vesting of an Award of Restricted Stock to a period of less than one year in duration.

Common Shares of Restricted Stock shall be subject to such restrictions as the Committee may impose (including, without limitation, forfeiture conditions, transfer restrictions or a restriction on, or prohibition against, the right to receive any dividend or other right or property with respect thereto), which restrictions may lapse separately or in combination at such time or times, in such instalments or otherwise as the Committee may deem appropriate.

The Corporation shall issue and hold share certificates registered in the name of each Participant or Director Participant granted Restricted Stock under the LTIP. The share certificates shall bear a legend referring to the award agreement and the possible forfeiture of such shares of Restricted Stock.

Except as otherwise determined by the Committee, upon a Termination Date during the applicable vesting period, all applicable Common Shares of Restricted Stock at such time not yet vested shall be forfeited and reacquired by the Corporation and thereafter will be available for grant under the LTIP.

Treatment on Termination

Death, Disability and Retirement: Except as otherwise determined by the Committee, where a Participant's or Director Participant's employment or term of office or engagement with the Corporation or an affiliate terminates by reason of the Participant's death, disability or retirement or, in the case of a Director Participant, the Director Participant's death or disability, then, unless otherwise determined by the Committee, any Awards that are not yet vested will be immediately forfeited to the Corporation at the Termination Date and such Participant or Director Participant shall cease to be eligible under the LTIP. Any Awards held by a Participant or Director Participant that have vested as of the Termination Date will enure to the benefit of the Participant's or Director Participant's heirs, executors and administrators.

Voluntary Resignation: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates by reason of a Participant's resignation, then any Awards held by the Participant that are not yet vested at the Termination Date are immediately forfeited to the Corporation on the Termination Date.

Termination by Corporation Without Cause: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement terminates by reason of termination by the Corporation or an affiliate without cause (as determined by the Committee in its discretion) (whether such termination occurs with or without any or adequate notice or reasonable notice, or with or without any or adequate compensation in lieu of such notice), then any Awards held by the Participant that are not yet vested at the Termination Date are immediately forfeited to the Corporation on the Termination Date.

Termination For Cause or Breach of Contract: Except as otherwise determined by the Committee, where a Participant's employment or term of office or engagement is terminated by the Corporation or an affiliate for cause (as determined by the Committee in its discretion), or, in the case of a Consultant Participant, for breach of contract

(as determined by the Committee in its discretion), then any Awards held by the Participant at the Termination Date (whether or not vested) are immediately forfeited to the Corporation on the Termination Date.

Termination for Breach of Fiduciary Duty: Except as otherwise determined by the Committee, where a Director Participant's term of office is terminated by the Corporation for breach by the Director Participant of his or her

fiduciary duty to the Corporation (as determined by the Committee in its discretion), then any Awards held by the Director Participant at the Termination Date (whether or not vested) are immediately forfeited to the Corporation on the Termination Date.

Termination for Other than Death, Disability or Breach of Fiduciary Duty: Except as otherwise determined by the Committee, where a Director Participant's term of office terminates for any reason other than death or disability of the Director Participant or a breach by the Director Participant of his or her fiduciary duty to the Corporation (as determined by the Committee in its discretion), the Committee or the Board may, in its discretion, at any time prior to or following the Termination Date, provide for the vesting of any or all Awards held by a Director Participant on the Termination Date.

Change of Employment Arrangement: Unless the Committee, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment arrangement within or among the Corporation or an affiliate for so long as the Participant continues to be an employee of the Corporation or an affiliate, including without limitation a change in the employment arrangement of a Participant whereby such Participant becomes a Director Participant. Subject to applicable law and unless the Committee, in its discretion, otherwise determines, at any time and from time to time, Awards are not affected by a change of employment arrangement within or among the Corporation or an affiliate where the Participant ceases to be an employee and continues as a Consultant Participant of the Corporation or an affiliate so long as the Participant continues to be a Consultant Participant of the Corporation or an affiliate.

Discretion to Accelerate Vesting: The Committee may, in its discretion, at any time prior to or following the retirement, death, disability or termination of employment of a Participant, permit the acceleration of vesting of any or all Awards, all in the manner and on the terms authorized by the Committee, provided that the Committee's discretion to accelerate vesting where there has been a change of control is limited to only those circumstances set forth in section 6.1 of the LTIP as described below.

Change in Control

Unless otherwise determined by the Committee or the Board of Directors at or after the date of grant, if a Participant or Director Participant ceases to be a director, officer or Consultant Participant of the Corporation or its subsidiaries within 12 months following a Change in Control (as defined in the LTIP) for any reason other than for cause (as that term is interpreted by the courts of the jurisdictions in which the Participant, Director Participant or the Participant's employer is engaged), voluntary resignation (other than for good reason (as defined by the LTIP)), retirement, death or disability, each Award held by that Participant or Director Participant that is not fully vested on the date at which such person ceases to be a director, officer or Consultant Participant shall become free of all restrictions, conditions and limitations, and become fully vested.

Share Capital Adjustments

The Board shall have the discretion to authorize such steps to be taken as it may consider to be equitable and appropriate in the event of any Share Reorganization, Corporate Reorgnization or Special Distribution (all as defined in the LTIP), including the acceleration of vesting in order to preserve proportionately the rights, value and obligations of the Participants or Director Participants holding Awards in such circumstances.

Amendments

Subject to the rules, regulations and policies of the TSX, the NYSE Amex Equities and applicable law, the Committee may, without notice or shareholder approval, at any time or from time to time, make certain amendments to the LTIP

or a specific Award for the purposes of: (i) altering, extending or accelerating the terms of vesting applicable to any Award or group of Awards; (ii) making any amendments to the general vesting provisions of an Award; (iii) changing the termination provisions of an Award, provided the change does not entail an extension beyond the original expiry date of such Award; (iv) accelerating the expiry date of an Award; (v) making any amendments to the provisions of the LTIP that relate to termination of employment in Section 5 of the LTIP, (vi) making any amendments to provide covenants of the Corporation in order to protect Participants; (vii) making any amendments not inconsistent with the LTIP as may be necessary or desirable with

respect to matters or questions which, in the good faith opinion of the Board, having in mind the best interests of the Participants and Director Participants, it may be expedient to make, including amendments that are desirable as a result of changes in law; (viii) making any amendments for the purposes of curing or correcting any ambiguity or defect or inconsistent provision or clerical omission or mistake or manifest error in the LTIP; (ix) making any amendments to any definitions in the LTIP; (x) effecting amendments respecting administration of the LTIP; and (xi) making amendments of a "housekeeping" or ministerial nature.

Certain amendments under the LTIP may not be made without shareholder approval, and these include: (i) amendments to the LTIP that would increase the number of Common Shares issuable under the LTIP in general, the number of Common Shares issuable to insiders under the LTIP, and the number of Common Shares issuable to Director Participants; (ii) amendments to any amending provision in the LTIP; (iii) amendments to the LTIP to include a form of financial assistance to Participants; and (iv) amendments required to be approved by shareholders under applicable law.

In addition, certain amendments under the LTIP may not be made without disinterested shareholder approval, and these include but are not limited to: (i) amendments that could result at any time in the number of Common Shares reserved for issuance to an insider under the LTIP exceeding 10% of the Corporation's issued and outstanding Common Shares; (ii) amendments resulting in any extension of the term of any award under the LTIP to an insider, if the award expires during a black-out period or during a black-out expiration term; and (iii) amendments required to be approved by disinterested shareholders under applicable law.

Performance Goals

Awards of RSUs and Restricted Stock under the LTIP may be made subject to the attainment of certain performance goals based on one or more of the following criteria: (i) earnings including operating income, earnings before or after taxes, earnings before or after interest, depreciation, amortization, or extraordinary or special items or book value per share (which may exclude nonrecurring items); (ii) pre-tax income or after-tax income; (iii) earnings per common share (basic or diluted); (iv) operating profit; (v) revenue, revenue growth or rate of revenue growth; (vi) return on assets (gross or net), return on investment, return on capital, or return on equity; (vii) returns on sales or revenues; (viii) operating expenses; (ix) stock price appreciation; (x) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (xi) implementation or completion of critical projects or processes; (xii) economic value created; (xiii) cumulative earnings per share growth; (xiv) operating margin or profit margin; (xv) common stock price or total stockholder return; (xvi) cost targets, reductions and savings, productivity and efficiencies; (xvii) strategic business criteria, consisting of one or more objectives based on meeting specified market penetration, geographic business expansion, customer satisfaction, employee satisfaction, human resources management, supervision of litigation, information technology, and goals relating to acquisitions, divestitures, joint ventures and similar transactions, and budget comparisons; (xviii) personal professional objectives, including any of the foregoing performance goals, the implementation of policies and plans, the negotiation of transactions, the development of long term business goals, formation of joint ventures, research or development collaborations, and the completion of other corporate transactions; and (xix) any combination of, or a specified increase in, any of the foregoing.

Non-Transferablility of Awards

Unless the Committee otherwise determines, awards granted under the LTIP may only be exercised during the lifetime of the Participant or Director Participant by such Participant or Director Participant personally, provided that any Awards held by a Participant or Director Participant that have vested at the Termination Date will enure to the benefit of the Participant or Director Participant's heirs, executors and administrators. No assignment or transfer of Awards, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such Awards

whatsoever in any assignee or transferee. Immediately upon any assignment or transfer, or any attempt to make the same, such Awards will terminate and be of no further force or effect, provided that any Awards held by a Participant or Director Participant that have vested at the Termination Date will enure to the benefit of the Participant or Director Participant's heirs, executors and administrators.

Approval Required

At the Meeting, shareholders will be asked to consider and, if thought appropriate, approve, an ordinary resolution approving the LTIP.

The text of the ordinary resolution to approve the adoption of the LTIP is set out in Part II of Appendix "B" to this Information Circular. A complete copy of the LTIP is attached as Appendix "D".

Shareholder approval of the proposed LTIP is required pursuant to the rules and policies of the TSX.

The Compensation Committee and the Board of Directors of the Corporation have not made determinations as to the allocation of any Awards under the LTIP to any executive officers, directors, employees or consultants of the Corporation and as of March 26, 2010, such potential grants cannot be determined.

To be approved, the ordinary resolution approving the LTIP requires the approval of a majority of the votes cast, in person or by proxy, at the Meeting. The persons named in the enclosed form of proxy intend to vote at the Meeting "FOR" this resolution, unless the shareholder has specified in the form of proxy that its shares are to be voted against the resolution.

Information About Proxies

Solicitation of Proxies

The solicitation of proxies by management of the Corporation will be made primarily by mail but solicitation may be made by telephone or in person with the cost of such solicitation to be borne by the Corporation. While no arrangements have been made to date, the Corporation may contract for the solicitation of proxies for the Meeting. Such arrangements would include customary fees which would be borne by the Corporation.

Appointment of Proxyholder

The persons named in the enclosed form of proxy for the Meeting are officers of the Corporation and nominees of management. A registered shareholder has the right to appoint some other person or company, who need not be a shareholder, to represent such registered shareholder at the Meeting by inserting that other person's name in the blank space provided on the form of proxy in the form set out in Appendix "A". If a registered shareholder appoints one of the persons designated in the accompanying form of proxy as a nominee and does not direct the said nominee to vote either "FOR" or "AGAINST" or "WITHHOLD" from voting on a matter or matters with respect to which an opportunity to specify how the Common Shares registered in the name of such registered shareholder shall be voted, the proxy shall be voted "FOR" such matter or matters.

The instrument appointing a proxyholder must be in writing and signed by the registered shareholder, or such registered shareholder's attorney authorized in writing, or if the registered shareholder is a corporation, by a duly authorized officer, or attorney, of such corporation. An undated but executed proxy will be deemed to be dated the date of the mailing of the proxy. In order for a proxy to be valid, a registered shareholder must:

(a) sign and print his or her name on the lines specified for such purpose at the bottom of the form of proxy; and

(b) return the properly executed and completed form of proxy:

(i)

by mailing it or delivering it by hand in the appropriate enclosed return envelope addressed to Computershare Investor Services Inc., or

(ii) by faxing it to Computershare Investor Services Inc. at 1-866-249-7775 (toll free in North America) or 1-416-263-9524 (international),

to be received by 4:30 p.m., Toronto time, on Friday, April 30, 2010, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment or postponement of the Meeting, unless the Chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

Revocation of Proxy

A registered shareholder may revoke a proxy by delivering an instrument in writing executed by such registered shareholder or by the registered shareholder's attorney authorized in writing or, where the registered shareholder is a corporation, by a duly authorized officer or attorney of such corporation, either to the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof and before any vote in respect of which the proxy is to be used shall have been taken, or in any other manner permitted by law.

Voting of Proxies

A registered shareholder may direct the manner in which his or her Common Shares are to be voted or withheld from voting in accordance with the instructions of the registered shareholder by marking the form of proxy accordingly. The management nominees designated in the enclosed form of proxy will vote the Common Shares represented by proxy in accordance with the instructions of the registered shareholder on any resolution that may be called for and if the registered shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. Where no choice is so specified with respect to any resolution or in the absence of certain instructions, the Common Shares represented by a proxy given to management will be voted "FOR" the resolution. If more than one direction is made with respect to any resolution, such Common Shares will similarly be voted "FOR" the resolution.

Exercise of Discretion by Proxyholders

The enclosed form of proxy when properly completed and delivered and not revoked, confers discretionary authority upon the proxyholders named therein with respect to amendments or variations of matters identified in the accompanying Notice of Meeting, and other matters not so identified which may properly be brought before the Meeting. At the date of this Information Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. If any amendment or variation or other matter comes before the Meeting, the persons named in the proxy will vote in accordance with their judgement on such amendment, variation or matter.

Voting by Beneficial Shareholders

The information set out in this section is important to many shareholders as a substantial number of shareholders do not hold their Common Shares in their own name.

Persons who hold Common Shares through their brokers, agents, trustees or other intermediaries (such persons, "Beneficial Shareholders") should note that only proxies deposited by registered shareholders whose names appear on the share register of the Corporation may be recognized and acted upon at the Meeting. If Common Shares are shown on an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases the name of such Beneficial Shareholder will not appear on the share register of the Corporation. Such Common Shares will most likely be registered in the name of the broker or an agent of the broker. In Canada, the vast majority of such shares will be registered in the name of "CDS & Co.", the registration name of CDS Clearing and Depositary Services Inc., and in the United States, the vast majority will be registered in the name of "Cede & Co.", the registration name of the Depository Trust Company, which entities act as nominees for many brokerage firms. Common Shares held by brokers, agents, trustees or other intermediaries can only be voted by those brokers, agents, trustees or other intermediaries in accordance with instructions received from Beneficial Shareholders. As a result, Beneficial Shareholders should carefully review the voting instructions provided by their intermediary with this Information Circular and ensure they

communicate how they would like their Common Shares voted in accordance with those instructions.

Beneficial Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Those Beneficial Shareholders who have objected to their intermediary disclosing ownership information about themselves to the Corporation are

referred to as "OBOs". In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has elected to send the Notice of Meeting, this Information Circular, the form of proxy and the reply card (collectively, the "Meeting Materials") indirectly through intermediaries to all of the Beneficial Shareholders. The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each Beneficial Shareholder, unless the Beneficial Shareholder has waived the right to receive them.

Intermediaries will frequently use service companies to forward the Meeting Materials to Beneficial Shareholders. Generally, a Beneficial Shareholder who has not waived the right to receive Meeting Materials will either:

(a) be given a form of proxy which (i) has already been signed by the intermediary (typically by a facsimile, stamped signature), (ii) is restricted as to the number of shares beneficially owned by the Beneficial Shareholder, and (iii) must be completed, but not signed, by the Beneficial Shareholder and deposited with Computershare Investor Services Inc.; or

(b) more typically, be given a voting instruction form ("VIF") which (i) is not signed by the intermediary, and (ii) when properly completed and signed by the Beneficial Shareholder and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow.

VIFs should be completed and returned in accordance with the specific instructions noted on the VIF. The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Common Shares which they beneficially own.

Please return your voting instructions as specified in the VIF. Beneficial Shareholders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their broker, agent, trustee or other intermediary, a Beneficial Shareholder may attend the Meeting as a proxyholder for a shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting or have someone else attend on their behalf, and indirectly vote their Common Shares as proxyholder for the registered shareholder should contact their broker, agent, trustee or other intermediary well in advance of the Meeting to determine the steps necessary to permit them to indirectly vote their Common Shares as a proxyholder.

Securities Entitled to Vote

As of March 26, 2010, the authorized share capital of the Corporation consists of an unlimited number of Common Shares, of which 44,679,024 Common Shares are issued and outstanding. Every shareholder who is present in person and entitled to vote at the Meeting shall have one vote on a show of hands and on a poll shall have one vote for each Common Share of which the shareholder is the registered holder, and such shareholder may exercise such vote either in person or by proxy.

The Board of Directors of the Corporation has fixed the close of business on March 23, 2010 as the record date for the purpose of determining the shareholders entitled to receive notice of the Meeting, but the failure of any shareholder to receive notice of the Meeting does not deprive such shareholder of the entitlement to vote at the Meeting. Every registered shareholder of record at the close of business on March 23, 2010 who personally attends the Meeting will be entitled to vote at the Meeting or any adjournment or postponement thereof, except to the extent that:

(a) such shareholder has transferred the ownership of any of his or her Common Shares after March 23, 2010; and

(b) the transferee of those Common Shares produces properly endorsed share certificates,