



GOLD CANYON RESOURCES INC.

TSX-V: GCU

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MANAGEMENT INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of March 15, 2010.

This Information Circular is being mailed by the management of Gold Canyon Resources Inc. (referred to as “we”, “our”, “the Company” or “Gold Canyon” herein) to everyone who was a shareholder of record of the Company on March 18, 2010, which is the date that has been fixed by the directors of Gold Canyon as the record date to determine the shareholders who are entitled to receive notice of the meeting. We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual general meeting of the Company that is to be held on Thursday, April 22, 2010. The solicitation of proxies will be primarily by mail. Certain employees or directors of Gold Canyon may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Gold Canyon.

Details of the time and place of that meeting are contained in the Notice of Meeting that accompanies this Information Circular.

Under our Articles, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

PART 1 - VOTING

HOW A VOTE IS PASSED

All of the resolutions proposed to be passed at the meeting, as described in the Notice of Meeting, are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

WHO CAN VOTE?

If you are a registered shareholder of Gold Canyon as at March 18, 2010, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder but do not wish to, or cannot, attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Voting by Proxy”). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution), you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. If you will not be attending the meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING IN PERSON

If you are a registered shareholder and attend the meeting you can cast one vote for each share registered in your name on all resolutions put before the meeting.

VOTING BY PROXY

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy, or by telephone or Internet voting as described in the enclosed form of proxy.

What is a form of proxy?

A proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting.

If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy (and pursuant to telephone and Internet voting) are appointed to act as your proxyholder. Those persons are directors and officers of Gold Canyon.

Your proxy vote

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the resolution to set the number of directors as six;**
- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the appointment of Davidson & Company LLP, Chartered Accountants, as the auditor of Gold Canyon; and**
- ✓ **FOR the resolution giving annual approval of Gold Canyon's existing 2003 Stock Option Incentive Plan.**

For more information about these matters, see Part 3 – The Business of the Meeting. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting or other business that may properly be considered at the meeting. At the time of printing this Information Circular, the management of Gold Canyon is not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

In order for your proxy to be valid, you must return the completed form of proxy by mail or facsimile to our Transfer Agent, Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1; fax numbers: within North America 1-866-249-7775; outside North America (416) 263-9524; or vote by telephone or through

the Internet following the instructions on the enclosed form of proxy, by **2:00 p.m. (Vancouver time) on Tuesday, April 20, 2010.**

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to Computershare Investor Services Inc. at the address indicated above; or (c) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Vancouver time) on the last business day before the day of the meeting, or any adjournment thereof, or delivered to the person presiding at the meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with our Transfer Agent, Computershare Investor Services Inc., before the deadline for returning a completed proxy, you can still vote your shares but to do so you must attend the meeting in person.

Non-registered shareholders

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. In many cases, common shares beneficially owned by a person (a “non-registered shareholder”) are registered either (i) in the name of an intermediary that the non-registered shareholder deals with in respect of the common shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans) or (ii) in the name of a clearing agency such as The Canadian Depository for Securities Limited of which the intermediary is a participant. Regulatory policies require intermediaries to seek voting instructions from non-registered shareholders in advance of shareholder meetings. Non-registered shareholders have the option of not objecting to their intermediary disclosing certain ownership information about themselves to the Company (such non-registered shareholders are designated as non-objecting beneficial owners, or “NOBOs”) or objecting to their intermediary disclosing ownership information about themselves to the Company (such non-registered shareholders are designated as objecting beneficial owners, or “OBOs”). In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Company has elected to send the Notice of Meeting, and this Information Circular (collectively, the “Meeting Materials”) directly to the NOBOs and indirectly through intermediaries to the OBOs. The intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to OBOs.

The securityholder materials sent to non-registered holders who have not waived the right to receive meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered holder is able to instruct the registered shareholder how to vote on behalf of the non-registered holder. VIFs, whether provided by the Company or by an intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF. In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares which they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his or her nominee the right to attend and vote at the Meeting.

Only registered shareholders have the right to revoke a proxy. A non-registered shareholder who wishes to change its vote must, at least seven days before the Meeting, arrange for its intermediary to revoke its proxy on its behalf.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

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

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Gold Canyon has authorized capital of 100,000,000 common shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on Thursday, March 18, 2010, the date fixed by our directors as the record date for determining who is entitled to receive notice of the meeting.

As of March 15, 2010, there were 66,180,270 common shares outstanding. To the knowledge of our directors and officers, the only persons or companies who or which beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of our common shares on that date were:

| Name | Number of common shares ⁽¹⁾ | Percentage of issued shares |
|----------------------------|--|-----------------------------|
| Sprott Asset Management LP | 7,100,000 ⁽²⁾ | 10.7% |

Notes:

⁽¹⁾ Information as to ownership of shares has been provided by the individuals or has been extracted from the Canadian System for Document Analysis and Retrieval (SEDAR) at www.sedar.com.

⁽²⁾ Held by Sprott Asset Management LP for or on behalf of one or more of their managed accounts.

PART 3 - THE BUSINESS OF THE MEETING

FINANCIAL STATEMENTS

The audited consolidated financial statements of Gold Canyon for the year ended November 30, 2009, together with the report of the current auditor thereon, will be placed before you at the meeting. A copy of the financial statements and auditor's report is available for viewing at Gold Canyon's records office located at Suite 1810, 1111 West Georgia Street, Vancouver, British Columbia, during normal business hours, or through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. A copy of the audited consolidated financial statements for the year ended November 30, 2009, together with Management's Discussion & Analysis thereon, are also enclosed with this Information Circular.

ELECTION OF DIRECTORS

Directors of Gold Canyon are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he or she resigns or otherwise vacates office before that time. Under our Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three. We currently have six directors.

Setting the Number of Directors

The Board of Directors believes it is in the best interests of Gold Canyon to set the number of directors at six, which the Board believes to be a sufficient number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR setting the number of directors at six.**

Nominees for Election as Directors

The following are the nominees proposed for election as directors of Gold Canyon together with the number of common shares and stock options that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. All of the nominees are currently directors of Gold Canyon. Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

| Name and place of residence | Principal occupation | Director since | Number of shares ⁽²⁾ | Number of options ⁽²⁾ |
|---|---|--------------------|---------------------------------|----------------------------------|
| Akiko Levinson British Columbia, Canada Chief Executive Officer, President, Chairperson | Businesswoman | June, 1991 | 1,709,201 | 1,550,000 |
| Ron Schmitz⁽¹⁾ British Columbia, Canada Chief Financial Officer, Corporate Secretary and Director | President, ASI Accounting Services Inc. | April, 1997 | 456,510 | 950,000 |
| Ivan Obolensky New York, USA Director | Vice-president at Capital Management Associates and Shields & Company | January, 1996 | 316,100 | 400,000 |
| Duncan Riesmeyer⁽¹⁾ New Mexico, USA Director | Retired Businessman | September, 2005 | Nil | 300,000 |
| Vincent Della Volpe⁽¹⁾ New Jersey, USA Director | Retired Businessman | September, 2006 | 2,000 | 300,000 |
| Douglas Christopherson Colorado, USA Director | Self –employed consultant, Principal and owner of Mine Analysis Services, LLC, a mine and mill consulting Company | April, 2008 | 750,000 | 800,000 |

Notes:

⁽¹⁾ Member of the Audit Committee. The Company does not have an Executive Committee.

⁽²⁾ The information as to shares beneficially owned or over which control or direction is exercised has been furnished by each of the nominees or has been extracted from insider reports filed by each of the individuals and publicly available on the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.

Gold Canyon’s management recommends that shareholders vote in favour of the election of the proposed nominees as directors of Gold Canyon for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the nominees named in this Information Circular.**

APPOINTMENT OF THE AUDITOR

During the financial year ended November 30, 2009, Davidson & Company LLP, Chartered Accountants, served as the Company’s auditor, having been appointed in April, 1989. See Part 6 – Audit Committee for further information.

The Company’s management proposes that Davidson & Company LLP, Chartered Accountants, be re-appointed as its auditor for the ensuing year. **Unless they are instructed otherwise, the persons named in the form of proxy intend to vote FOR the resolution to appoint Davidson & Company LLP to act as our auditor until the close of our next annual general meeting or until a successor is appointed.**

ANNUAL APPROVAL OF THE STOCK OPTION PLAN

TSX Venture Exchange policy requires that rolling stock option plans, which set the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares from time to time, must be approved and ratified by shareholders and the Exchange on an annual basis.

The aggregate number of common shares reserved for issuance under the 2003 Stock Option Incentive Plan (the “Option Plan”) and common shares reserved for issuance under any other share compensation arrangement granted or made available by Gold Canyon from time to time may not exceed in aggregate 10% of Gold Canyon’s common shares issued and outstanding at the time of grant. The term of any options granted under the Option Plan will be fixed by the Board of

Directors and may not exceed ten years. The exercise price of options granted under the Option Plan will be determined by the Board of Directors, provided that it is not less than the lowest price permitted by the Exchange.

Any options granted pursuant to the Option Plan will terminate at the end of any specified term of such option, on the first anniversary of the date of death of any optionee, immediately in circumstances of termination of employment with cause, or otherwise as determined by the board of directors of the Company, acting reasonably. The Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of Gold Canyon's shares.

The Option Plan is administered by the Board of Directors of Gold Canyon. Following approval of the Option Plan by the shareholders, further shareholder approval will not be required for option grants made in accordance with the Option Plan, except as required by the policies of the Exchange.

Shareholders may review a copy of the Option Plan by attending at the Company's registered and records office, Suite 1810, 1111 West Georgia Street, Vancouver, British Columbia, during normal business hours, at any time up to and including the day prior to the meeting or any adjournment thereof. See Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans.

Gold Canyon's management recommends that shareholders vote in favour of the resolution to approve the Option Plan. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the annual approval of the Option Plan.**

PART 4 – EXECUTIVE COMPENSATION

The following disclosure is provided pursuant to Form 51-102F6 - *Statement of Executive Compensation (in respect of financial years ending on or after December 31, 2009)*.

COMPENSATION DISCUSSION AND ANALYSIS

Gold Canyon is engaged in the acquisition and exploration of mineral and precious metals properties. The Company controls a 100% interest in the Springpole Gold - Horseshoe Island Gold, Platinum, Palladium Project and Favourable Lake Poly-metallic property currently under option to Shoreham Resources Inc. pursuant to an option and joint venture agreement entered into in December 2005 - all in the Red Lake Mining District of Ontario, Canada.

Through its wholly owned U.S. subsidiary, Gold Canyon Resources USA Inc., the Company controls a 100% leasehold interest in the Cordero Gallium Project situated in Humboldt County, Nevada, U.S.A.

Gold Canyon entered into a Joint Exploration Agreement with the Japan Oil, Gas and Metals National Corporation (JOGMEC) in January 2009. Additional information about Gold Canyon and its operations is available in its audited financial statements and Management's Discussion & Analysis for the year ended November 30, 2009, which have been filed with regulators and are available for viewing via the Internet at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

The following discussion and analysis covers the compensation paid to the individuals who served as Chief Executive Officer and Chief Financial Officer of the Company during the financial year ended November 30, 2009 (each such person, a "Named Executive Officer"). No other individual either acted as an executive officer of the Corporation or had total compensation in excess of \$150,000 during the financial year ended November 30, 2009.

Compensation Philosophy and Objectives

The primary goal of Gold Canyons' executive compensation process is to attract and retain the key executives necessary for Gold Canyons' long term success, to encourage executives to further the development of Gold Canyons and its operations, and to motivate qualified and experienced executives. The key elements of executive compensation awarded by Gold Canyons are base salary and incentive stock options. The directors are of the view that the two elements should be considered together when determining executive compensation.

Decision Making Process

Gold Canyon's Board of Directors is responsible for determining all forms of compensation to be granted to Gold Canyon's Chief Executive Officer, and for reviewing the Chief Executive Officer's recommendations respecting compensation of Gold Canyon's other senior executives, to ensure such arrangements reflect the responsibilities and risks associated with each position. Given the relatively small number of Gold Canyon's management personnel, the Board of Directors has not appointed a compensation committee and these functions are currently performed by the Board of Directors as a whole. When determining the compensation of its executive officers, the Board considers providing fair and competitive compensation and balancing the interests of management and the Company's shareholders. In order to achieve these objectives, the compensation paid to Gold Canyon's executive officers consists of base salary (fees) and long-term incentive in the form of stock options. For details regarding compensation of each Named Executive Officer, refer to "Summary Table" below.

Base Salary

Salaries for Named Executive Officers are determined by evaluating the time, effort and responsibilities of a Named Executive Officer, with a view to the competitive marketplace. The Board of Directors seeks to set base salary at a level competitive enough to represent a fair compensation in the marketplace while ensuring such compensation reflects the development stage of the Company. For all employees, including Named Executive Officers, salary adjustments are considered by the Board of Directors annually but any adjustments to base salary are not guaranteed and any adjustment includes consideration for individual performance and market conditions.

Option-based Awards

The Stock Option Plan is available to all employees, including the Named Executive Officers and consultants to Gold Canyon. As options have increased value to the holder if the market value of the stock appreciates over time, the objective of the program is to tie the interests of the executive officers and employees directly to the interests of the shareholders. In that regard, the Stock Option Plan is intended to serve as a long term retention and incentive tool. The exercise price, terms, vesting and conditions of any options granted are established by the Board of Directors and subject to the rules of the regulatory authorities having jurisdiction over the securities of the Company. The determination of an award, as well as the amount of the any award, are at the sole discretion of the Board of Directors. The Board of Directors considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer or employee in determining the level of incentive stock option compensation. There are no performance or other conditions related to the vesting of the options, other than continued employment with the Company. See "Incentive Plan Awards - Outstanding Option-Based Awards" below, as well as Part 3 – The Business of the Meeting – Annual Approval of the Stock Option Plan and Part 5 – Securities Authorized for Issuance Under Equity Compensation Plans.

SUMMARY COMPENSATION TABLE

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, each Named Executive Officer during the fiscal year ended November 30, 2009. Amounts reported in the table below are in Canadian dollars.

| Name and principal position | Fiscal Year ended November 30th | Salary/ Fee (\$) | Option-based awards (\$)⁽¹⁾ | All other compensation (\$) | Total Compensation (\$) |
|--|--|-------------------------|---|------------------------------------|--------------------------------|
| Akiko Levinson <i>Chief Executive Officer & President</i> | 2009 | \$84,000 | \$94,500 | N/A | \$178,500 |
| Ron Schmitz <i>Chief Financial Officer</i> | 2009 | N/A | \$56,250 | \$113,045 ⁽²⁾ | \$169,295 |

Notes:

(1) The grant date fair values of incentive stock options granted to the Named Executive Officers as indicated in this column are estimated using the Black-Scholes option pricing model (see Note 8 to Gold Canyon's annual audited financial statements for the year ended November 30, 2009, for the assumptions and estimates used for this calculation).

(2) Fees for accounting, secretarial, administrative services and rent provided by ASI Accounting Services, a company controlled by Ron Schmitz. See Part 8 – Other Information – Management Contracts.

Akiko Levinson, the Chief Executive Officer and President of Gold Canyon, is party to an executive management agreement dated May 1, 2008 pursuant to which she is compensated at a rate of \$7,000 per month for management services rendered on behalf of the Company as Chief Executive Officer and President. The executive management agreement provides that it can be terminated by Ms. Levinson upon two (2) weeks notice and by the Company without notice in specified circumstances or otherwise upon four (4) weeks notice.

Ron Schmitz, the Chief Financial Officer of Gold Canyon, is not compensated directly by the Company for management services rendered on behalf of the Company as Chief Financial Officer. Gold Canyon has entered into an office space, accounting and administrative services arrangement with ASI Accounting Services Ltd., a company owned or controlled by Ron Schmitz, pursuant to which ASI Accounting Services Ltd. provides accounting, secretarial, rent and administrative services to Gold Canyon. See Part 8 – Other Information – Management Contracts.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table sets out option-based awards granted to the Named Executive Officers during the most recently completed financial year, or in prior years, and that were outstanding as at November 30, 2009. No share-based awards other than incentive stock options have been granted to the Named Executive Officers by Gold Canyon.

| Named Executive Officer | Option-based Awards | | | |
|-------------------------|--|---|--------------------|---|
| | Number of common shares underlying unexercised options (#) | Option exercise price per common share (\$) | Option expiry date | Value of unexercised in-the-money options ⁽¹⁾ (\$) |
| Akiko Levinson | 600,000 | \$0.10 | February 13, 2011 | \$48,000 |
| | 200,000 | \$0.10 | June 12, 2011 | \$16,000 |
| | 250,000 | \$0.31 | October 5, 2011 | Nil |
| Ron Schmitz | 400,000 | \$0.10 | February 13, 2011 | \$32,000 |
| | 100,000 | \$0.10 | June 12, 2011 | \$8,000 |
| | 125,000 | \$0.31 | October 5, 2011 | Nil |

Notes:

(1) The value of unexercised "in-the-money options" at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on November 30, 2009. The closing price of the common shares on November 27, 2009 (the last day the common shares traded prior to the year ended November 30, 2009) was \$0.18.

For more information about option-based awards, see Part 3 – The Business of the Meeting – Annual Approval of the Stock Option Plan. All stock options granted by Gold Canyon to its Named Executive Officers during the most recent completed fiscal year and in prior years and currently outstanding were fully vested and exercisable on the date of grant and exercise price represented the market price of the underlying common shares as at that date. As such, no dollar value of options vested (being, the difference between the market price of the underlying common shares and the option exercise price on the vesting date) was realized by any of Gold Canyon's executive directors during the fiscal year ended November 30, 2009. Gold Canyon did not issue any Share-based awards to the Named Executive Officers. Gold Canyon does not provide a Non-equity incentive plan to its Named Executive Officers.

PENSION PLAN BENEFITS

Gold Canyon does not provide any form of pension plan or other retirement benefit to the Named Executive Officers.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as disclosed herein, Gold Canyon is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Gold Canyon or a change in a Named Executive Officer's responsibilities.

DIRECTOR COMPENSATION

Director Compensation Table

The following disclosure of director compensation for Gold Canyon's most recently completed financial year ending on November 30, 2009 excludes compensation of Akiko Levinson and Ron Schmitz, in their capacity as executive officers of Gold Canyon. Akiko Levinson's and Ron Schmitz's compensation is disclosed above at Part 4 – Executive Compensation – Summary Compensation Table; neither receives additional compensation for serving as a director of Gold Canyon.

| <u>Name</u> | <u>Director Fees earned (\$)</u> | <u>Option-based awards (\$)⁽¹⁾</u> | <u>All other compensation (\$)</u> | <u>Total (\$)</u> |
|---------------------------------------|--------------------------------------|---|--|-----------------------|
| Ivan Obolensky | N/A | \$31,950 | N/A | \$31,950 |
| Duncan Riesmeyer | \$9,808 ⁽³⁾ | \$23,850 | N/A | \$33,658 |
| Vincent Della Volpe | \$12,260 ⁽³⁾ | \$22,500 | N/A | \$34,760 |
| Douglas Christopherson ⁽²⁾ | N/A | \$54,000 | \$73,336 ⁽²⁾ | \$127,336 |

Notes:

- ⁽¹⁾ The grant date fair values of incentive stock options granted to the non-executive directors as indicated in this column are estimated using the Black-Scholes option pricing model (see Note 8 to Gold Canyon's annual audited financial statements for the year ended November 30, 2009, for the assumptions and estimates used for this calculation).
- ⁽²⁾ Consulting fees paid pursuant to two consulting agreements between the Company and Douglas Christopherson. See Part 8 – Other Information – Management Contracts.
- ⁽³⁾ Converted at an exchange rate of 1.0217 (being the nominal rate on March 15, 2010)

Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. Gold Canyon may, from time to time, grant options to purchase common shares to the directors.

Outstanding Option-Based Awards

The following table sets out option-based awards granted to the directors of Gold Canyon (excluding Akiko Levinson and Ron Schmitz) during the most recently completed financial year, and in prior years, and that were outstanding as at the fiscal year ended November 30, 2009. No share-based awards other than incentive stock options have been granted to the directors and Gold Canyon does not provide any non-equity incentive plan compensation to its directors. See also Part 4 – Executive Compensation – Incentive Plan Awards for outstanding options held by Akiko Levinson and Ron Schmitz.

| <u>Option-based Awards</u> | | | | |
|----------------------------|---|--|-------------------------------|---|
| <u>Name</u> | <u>Number of common shares underlying unexercised options (#)</u> | <u>Option exercise price per common share (\$)</u> | <u>Option expiration date</u> | <u>Value of unexercised in-the-money options⁽¹⁾ (\$)</u> |
| Ivan Obolensky | 200,000 | \$0.10 | February 13, 2011 | \$16,000 |
| | 100,000 | \$0.10 | June 12, 2011 | \$8,000 |
| | 55,000 | \$0.31 | October 5, 2011 | Nil |
| Duncan Riesmeyer | 75,000 | \$0.10 | February 13, 2011 | \$6,000 |
| | 100,000 | \$0.10 | June 12, 2011 | \$8,000 |
| | 90,000 | \$0.31 | October 5, 2011 | Nil |

Option-based Awards

| Name | Number of common shares underlying unexercised options (#) | Option exercise price per common share (\$) | Option expiration date | Value of unexercised in-the-money options ⁽¹⁾ (\$) |
|---------------------|--|---|------------------------|---|
| Vincent Della Volpe | 100,000 | \$0.10 | February 13, 2011 | \$8,000 |
| | 100,000 | \$0.10 | June 12, 2011 | 8,000 |
| | 50,000 | \$0.31 | October 5, 2011 | Nil |
| Douglas | 400,000 | \$0.10 | February 13, 2011 | \$32,000 |
| Christopherson | 100,000 | \$0.10 | June 12, 2011 | \$8,000 |
| | 100,000 | \$0.31 | October 5, 2011 | Nil |

Notes:

⁽¹⁾ The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying common shares on the TSX Venture Exchange on November 30, 2009. The closing price of the common shares on November 27, 2009 (the last day that the common shares traded prior to November 30, 2009) was \$0.18.

For more information about option-based awards, see Part 3 – The Business of the Meeting – Annual Approval of the Stock Option Plan. All stock options granted by Gold Canyon to its directors during the most recent completed fiscal year and in prior years and currently outstanding were fully vested and exercisable on the date of grant and exercise price represented the market price of the underlying common shares as at that date. As such, no dollar value of options vested (being, the difference between the market price of the underlying common shares and the option exercise price on the vesting date) was realized by any of Gold Canyon’s directors during the fiscal year ended November 30, 2009. Gold Canyon did not issue any Share-based awards to its directors during the fiscal year ended November 30, 2009. Gold Canyon does not provide a Non-equity incentive plan to its directors.

PENSION PLAN BENEFITS

Gold Canyon does not provide any form of pension plan or other retirement benefit to its non-executive directors.

PART 5 - SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Board of Directors of Gold Canyon adopted its current 2003 Stock Option Incentive Plan (the “Option Plan”) in February 2003, pursuant to which the aggregate number of common shares reserved for issuance under the Option Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Gold Canyon from time to time may not exceed in aggregate 10% of Gold Canyon’s common shares issued and outstanding at the time of the grant. The Option Plan was initially approved by Gold Canyon’s shareholders at the annual general meeting held April 24, 2003, and has been annually approved by Gold Canyon’s shareholders, as required by the TSX Venture Exchange, at the annual general meetings of shareholders held in each of calendar year thereafter (see Part 3 – The Business of the Meeting – Annual Approval of the Stock Option Plan). Gold Canyon has no other equity compensation plans available to its directors, officers or employees.

| Plan Category | Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ (a) | Weighted-average exercise price of outstanding options, warrants and rights (b) | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽²⁾ (c) |
|--|--|--|--|
| Equity Compensation plans approved by securityholders⁽²⁾ | 5,320,000 common shares | \$0.21 | 1,298,027 common shares |
| Equity Compensation plans not approved by securityholders | Nil | Nil | Nil |
| TOTAL | 5,320,000 common shares | \$0.21 | 1,298,027 common shares |

Notes:

⁽¹⁾ At year ended November 30, 2009.

⁽²⁾ The aggregate number of common shares reserved for issuance under the Option Plan and common shares reserved for issuance under any other share compensation arrangement granted or made available by Gold Canyon from time to time may not exceed in aggregate 10% of Gold Canyon's common shares issued and outstanding at the time of the grant. See Part 3 – The Business of the Meeting – Annual Approval of the Stock Option Plan.

PART 6 – AUDIT COMMITTEE

AUDIT COMMITTEE CHARTER

The Charter of the Company's Audit Committee is attached to this Information Circular as Appendix A.

AUDIT COMMITTEE MEMBERS

Ron Schmitz, Vincent Della Volpe and Duncan Riesmeyer are members of the Company's Audit Committee. Vincent Della Volpe and Duncan Riesmeyer are considered "independent" and all members are considered "financially literate", as those terms are defined in applicable securities legislation.

RELEVANT EDUCATION AND EXPERIENCE

Ron Schmitz received an Associate of Commerce Diploma in May, 1985 from Malaspina College, Nanaimo, British Columbia and, as of June, 1987, had completed three years of the Certified General Accountants program. Mr. Schmitz is the President and owner of ASI Accounting Services Inc., which has provided accounting and administration services since 1995 to public companies listed on the TSX Venture and OTC-BB.

Vincent Della Volpe has served as a professional money manager for over 35 years, including as a senior portfolio manager of pension funds for Honeywell Corporation and senior vice president of the YMCA Retirement fund in New York. Throughout his career Mr. Della Volpe has particularly focused on the management of energy and utility equity portfolios, and he also has experience managing venture capital investments. Mr. Della Volpe holds a Bachelor of Arts in Accounting and an MBA in finance, both from Seton Hall University. Mr. Della Volpe has been retired since March 2003, but serves as a director of Uranium Energy Corp., a US-based junior resource uranium mining company listed for trading on the NYSE-Alt.

Duncan Riesmeyer graduated from the University of Virginia with a B.A. degree with high distinction, and from the University of New Mexico with a M.Sc. degree in geology. Mr. Riesmeyer is a former Springpole Exploration Manager at Santa Fe Canadian Mining, Ltd.

EXTERNAL AUDITOR SERVICE FEES

The following table sets out the aggregate audit and audit related fees billed by Davidson & Company LLP, Chartered Accountants, our external auditor, in each of the last two fiscal years.

| Year | Audit Fees | Audit Related Fees | Tax Fees ⁽¹⁾ | All Other Fees |
|------|------------|--------------------|-------------------------|----------------|
| 2009 | \$31,250 | Nil | \$8,500 | Nil |
| 2008 | \$32,500 | Nil | \$6,650 | Nil |

Notes:

⁽¹⁾ Related to preparation of Gold Canyon's tax returns

RELIANCE ON EXEMPTION

As Gold Canyon is a "Venture Issuer" pursuant to relevant securities legislation, Gold Canyon is relying on the exemption in Section 6.1 of National Instrument 52-110-Audit Committees ("NI 52-110") from the reporting requirements of Part 3 and Part 5 of NI 52-110.

PART 7 - CORPORATE GOVERNANCE

BOARD OF DIRECTORS

Gold Canyon's Board of Directors facilitates its exercise of independent supervision over management by ensuring that the Board includes independent directors. The Board, at present, is composed of six directors, of which three (Messrs. Obolensky, Riesmeyer and Della Volpe) are considered to be independent. In determining whether a director is independent, the Board considers, for example, whether the director has a relationship, which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management. Mrs. Levinson (Chief Executive Officer, President and Chairperson) and Mr. Schmitz (Chief Financial Officer) are not considered to be independent as they are executive officers and members of management of Gold Canyon. See Part 4 – Executive Compensation. Mr. Christopherson will not be considered to be independent as he receives consulting fees from Gold Canyon (See Part 8 – Other Information – Management Contracts).

The Board is specifically responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for all material contracts, business transactions and all debt and equity financing proposals. The independent directors on the Board are also responsible for approving compensation (see *Compensation* below).

The Board delegates to management, through the office of the President, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

Given the relatively static composition of the Board of Directors and the Company's management over the last several years, the Board has not appointed a corporate governance committee and these functions are currently performed by the Board as a whole.

DIRECTORSHIPS

Certain of Gold Canyon's directors are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

| Name | Reporting Issuer (or equivalent in a foreign jurisdiction) |
|---------------------|--|
| Ron Schmitz | Touchstone Resources Ltd. and Blackbird Investments Inc. |
| Ivan Obolensky | Uranium Energy Corp. |
| Vincent Della Volpe | Uranium Energy Corp. |

ORIENTATION AND CONTINUING EDUCATION

Given the relatively small and static composition of the Board of Directors since its incorporation, the Company has not yet developed an official orientation or training program for new directors. New directors will have the opportunity to become familiar with Gold Canyon by meeting with the other directors and with officers and employees. Orientation activities, as required, will be tailored to the particular needs and experience of each director and the overall needs of the Board.

ETHICAL BUSINESS CONDUCT

The Board monitors the ethical conduct of Gold Canyon and its management and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

NOMINATION OF DIRECTORS

Gold Canyon's Board considers its size each year when it considers the number of directors to recommend to the Company's shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience. Given the relatively static composition of the Board of Directors over the last several years, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole.

COMPENSATION

The Company's Board is responsible for determining all forms of compensation. Given the relatively small number of Gold Canyon's management personnel, the Board has not appointed a compensation committee and these functions are currently performed by the Board as a whole.

Certain of the Company's directors are paid a fee for their services as such. See Part 4 – Executive Compensation – Compensation of Directors.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors of Gold Canyon has appointed an Audit Committee which is comprised of Ron Schmitz, Vincent Della Volpe and Duncan Riesmeyer. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting of the Company, as well as internal controls to achieve the objectives of safeguarding the Company's assets; reliability of information; and compliance with policies and laws. For further information regarding the mandate of the Audit Committee, its specific authority, duties and responsibilities, as well as a copy of the Audit Committee Charter, see Part 6 – Audit Committee.

ASSESSMENTS

The Board does not formally review the contributions of individual directors, however believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

PART 8 - OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the its most recently completed financial year ended November 30, 2009 and as at the date of this Circular, no director, executive officer or employee or former director, executive officer or employee of Gold Canyon, nor any nominee for election as a director of Gold Canyon, nor any associate of any such person, was indebted to Gold Canyon or its subsidiary for other than "routine indebtedness" as that term is defined by applicable securities law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Gold Canyon or its subsidiary.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise set out herein, no proposed nominee for election as a director, and no director or executive officer of Gold Canyon who has served in such capacity since the beginning of the last financial year of Gold Canyon, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company's outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with Gold Canyon or in any proposed transaction since the beginning of the last completed financial year that has materially affected Gold Canyon or is likely to do so.

During the fiscal year ended November 30, 2009, Gold Canyon paid or accrued:

- (a) an aggregate of \$125,041 in management and employee benefits to three of its directors Akiko Levinson – \$7,000 a month plus federal payroll taxes, Duncan Riesmeyer – US\$800 a month and Vincent Della Volpe – US\$1,000 a month;
- (b) \$73,336 for mining engineer related services performed on behalf of the Company by Douglas Christopherson; and
- (c) \$113,045 for accounting, secretarial, rent and administrative services to ASI Accounting Services Ltd., a company controlled by a Company director, Ron Schmitz.

Each of the above-noted individuals is a current director and proposed nominee for re-election as a director of Gold Canyon at the meeting.

Furthermore, certain directors and officers are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and exploiting natural resource properties and, although such associations may give rise to conflicts of interest from time to time, such directors and officers are required by law to act honestly and in good faith with a view to the best interests of Gold Canyon and to disclose any interest which they may have in any property or opportunity of Gold Canyon.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING

Akiko Levinson (Chief Executive Officer and President), Ron Schmitz (Chief Financial Officer), Ivan Obolensky, Duncan Riesmeyer, Vincent Della Volpe and Douglas Christopherson have served as the directors and/or executive officers of Gold Canyon since the beginning of the last completed financial year ended November 30, 2009. Each of these individuals are nominees for election as directors at the meeting.

None of the directors or executive officers of Gold Canyon, no proposed nominee for election as a director of Gold Canyon, none of the persons who have been directors or executive officers of Gold Canyon since the commencement of Gold Canyon's last completed financial year, none of the other insiders of Gold Canyon and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or

otherwise, in any matter to be acted upon at the meeting other than the election of directors and annual approval of the Option Plan.

MANAGEMENT CONTRACTS

Except as otherwise set out herein, the management functions of Gold Canyon are performed by our directors and executive officers and Gold Canyon has no management agreements or arrangements under which such management functions are performed by persons other than our directors and senior officers.

Gold Canyon has entered into an office space, accounting and administrative services arrangement with ASI Accounting Services Ltd., a company owned or controlled by Ron Schmitz, a current director and proposed nominee for re-election as a director of Gold Canyon, pursuant to which ASI Accounting Services Ltd. provides accounting, secretarial, rent and administrative services to Gold Canyon. During the most recently completed financial year, we paid or accrued \$113,045 (2008 - \$118,315) to ASI Accounting Services Ltd. for such services.

Gold Canyon entered into a consulting agreement effective November 1, 2007, with Douglas Christopherson, a current director of Gold Canyon and nominee for re-election as a director at the meeting to which this Circular relates. Pursuant to this agreement, Mr. Christopherson performs a front end or "Desk Top" concept mine and processing analysis, containing a business and operation plan, and assists with the preparation of work plans, exploration schedules, alternative work plans to achieve alternative operating or business goals, among other duties as set out in the agreement. Gold Canyon has agreed to pay Mr. Christopherson at US\$125 per hour or US\$1,000 per day maximum plus reimbursement of expenses. The term of the agreement is for two years commencing November 6, 2007, and will continue until it is terminated by either party giving to the other not less than 60 days notice in writing. Further, Gold Canyon has also entered into an agreement (the "JEA Agreement") with Mr. Christopherson dated December 29, 2008, pursuant to which Mr. Christopherson has agreed to provide Gold Canyon with consulting services, including identification of suitable deposits, engineering and processing analysis; preparation of exploration, business and operating plans and budgets based on information developed during the course of the work and perform required actions to achieve the desired goals relating to the Gold Canyon-JOGMEC Joint Exploration Agreement (JEA) in the capacity of Project Manager for the JEA. Pursuant to the JEA Agreement, Mr. Christopherson will invoice Gold Canyon US\$160 per hour for his services, up to a daily maximum of US\$1,280, plus expenses incurred in performing the services. The JEA Agreement can be terminated by either party by giving to the other not less than 90 days notice in writing; Mr. Christopherson can terminate the JEA Agreement with immediate effect at any time by notice in writing to Gold Canyon if Gold Canyon fails to pay any amount due under the JEA Agreement within the required time; or either party can terminate the JEA Agreement with immediate effect at any time by notice in writing to the other party if the other party suffers an insolvency or bankruptcy. If the JEA Agreement is terminated, all rights and obligations of the parties cease immediately except for provisions expressly stated to survive termination, including confidentially provisions related to confidential information concerning Gold Canyon. During the most recently completed financial year, we paid or accrued an aggregate accrued \$73,336 (2008 - \$85,208) for services rendered by Mr. Christopherson pursuant to the agreement.

CEASE TRADE ORDERS AND BANKRUPTCY

As at the date of this Information Circular, no proposed nominee for election as a director of Gold Canyon is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including Gold Canyon and any personal holding company of the proposed director) that, while that person was acting in that capacity:
 - (a) was subject to a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order) or an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "Order"); or
 - (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

2. a director or executive officer of any company (including Gold Canyon and any personal holding company of the proposed director) 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.

PERSONAL BANKRUPTCY

No proposed nominee for election as a director of Gold Canyon has, within the ten years before the date of this 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.

OTHER MATTERS

Management of Gold Canyon is not aware of any other matters to come before the meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. 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.

ADDITIONAL INFORMATION

You may obtain additional information about Gold Canyon in our audited consolidated financial statements and Management's Discussion and Analysis for the year ended November 30, 2009, which are included with this Information Circular. Additional copies may be obtained without charge upon request to us at Suite 810 - 609 Granville Street, Vancouver, British Columbia, V7Y 1G5 - telephone (604) 682-3234; fax (604) 682-0537. You may also access our disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

APPENDIX A
Gold Canyon Resources Inc.

Audit Committee Charter

**CHARTER FOR THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS**

1. Mandate

- 1.1. The mandate of the Audit Committee established pursuant to this charter is to oversee the Company's accounting and financial reporting processes and audits of the Company's financial statements, and report thereon to the Board of Directors. Within this mandate, the Audit Committee's role is to:
- (a) support the Board of Directors in meeting its responsibilities to shareholders;
 - (b) enhance the independence of the external auditor;
 - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
 - (d) increase the credibility and objectivity of the Company's financial reports and public disclosure.
- 1.2. In addition, the Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are considered "independent" as that term is defined in Multilateral Instrument 52-110.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
- (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and
 - (b) communicate directly with management and any internal auditor and with the external auditor.
 - (c) approve interim financial statements and interim MD&A on behalf of the Board of Directors.

4. Duties and Responsibilities

- 4.1. The duties and responsibilities of the Audit Committee include:
- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
 - (b) recommending to the Board of Directors the compensation of the external auditor;
 - (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
 - (d) overseeing the work of the external auditor;
 - (e) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
 - (f) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;

- (g) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
 - (h) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
 - (i) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
 - (j) overseeing the effectiveness of the internal audit function;
 - (k) resolving disputes between management and the external auditor regarding financial reporting;
 - (l) establishing procedures to deal with complaints and concerns, from employees and others, regarding questionable accounting or auditing practices;
 - (m) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
 - (n) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and
 - (o) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.
- 4.2. In addition to the above responsibilities, the Audit Committee will undertake such other duties as the Board of Directors delegates to it.
- 4.3. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee will meet at least twice each year. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 5.4. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.5. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.6. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.