

INFORMATION CIRCULAR

(Containing information as at April 23, 2008, unless indicated otherwise)

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by the management of **EASTERN PLATINUM LIMITED** (the “Company”) to the shareholders of the Company (the “Shareholders”) for use at the Annual General Meeting of Shareholders of the Company (and any adjournment thereof) to be held on June 4, 2008 (the “Meeting”), at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

Effective July 1, 2007, the Company changed its fiscal year end from June 30 to December 31 to better align itself with industry reporting and to allow for improved presentation of production results. This change has resulted in the Company reporting a six-month period ending December 31, 2007.

“Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees or proxy agent, if any, of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

The contents and the sending of this Information Circular have been approved by the Directors of the Company.

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy (the “Proxy”) are officers and/or directors of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

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

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

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

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc., by mail or by hand to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a toll free number. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) using the internet through the website of the Company's transfer agent at www.computershare.com/ca/proxy. Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Should you wish to contact Computershare Investor Services Inc., please refer to the following:

General Shareholder Inquiries:

By Phone: 1-800-564-6253

By Fax: 1-866-249-7775

By Email: service@computershare.com

By Regular Mail:

Computershare Investor Services Inc.

100 University Avenue, 9th Floor,

Toronto, ON M5J 2Y1

Beneficial Shareholders

The information in this section is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares).

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

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

There are two kinds of Beneficial Shareholders - those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners).

The Company is taking advantage of those provisions of National Instrument 54-101 of the Canadian Securities Administrators, which permits it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form (VIF). These VIFs are to be completed and returned to Computershare Investor Services Inc. in the envelope provided or by facsimile to the number provided in the VIF. In addition, Computershare Investor Services Inc. will provide instructions for voting by either telephone or internet on the VIF itself. Computershare Investor Services Inc. will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs it receives.

This information circular, with related material, is being sent to both registered and non-registered owners of the Common Shares of the Company. 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 Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary who holds your Common Shares on your behalf.

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

Beneficial Shareholders who are OBOs should carefully follow the instructions of their broker or intermediary in order to ensure that their Common Shares are voted at the Meeting.

The form of proxy that will be supplied by your broker will be similar to the Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to

Broadridge Financial Solutions, Inc. (“Broadridge”) in the United States and in Canada. Broadridge will mail a VIF in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company) other than the persons designated in the VIF to represent the Beneficial Shareholder at the Meeting. To exercise this right, you should insert the name of your desired representative in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the VIF must be returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, you should enter your own name in the blank space on the VIF provided to you and return the same to your broker in accordance with the instructions provided by your broker, well in advance of the Meeting.

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

Revocation of Proxies

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare Investor Services Inc. or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P. O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the Registered Shareholder’s Common Shares.

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

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company’s Common Shares are listed for trading under the symbol “ELR” on the TSX Exchange (“TSX”) and on the Alternative Investment Market of the London Stock Exchange (“AIM”) and under the symbol “EPS” on the Johannesburg Stock Exchange (“J.S.E.”). The Company is authorized to issue an unlimited number of Common Shares without par value, each carrying the right to one vote. As at April 23, 2008 there were 672,984,102 Common Shares without par value issued and outstanding.

Only Shareholders of record at the close of business on April 23, 2008 (the "Record Date") who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their Common Shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a Shareholder, or as a representative of one or more corporate Shareholders, or who is holding a proxy on behalf of a Shareholder who is not present at the Meeting, will have one vote (no matter how many shares he holds). On a poll, every Shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate Shareholders will have one vote for each common share registered in the name of the shareholder on the list of shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. and will be available at the Meeting.

To the knowledge of the directors and executive officers of the Company, there were no persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at April 23, 2008.

The following documents to be filed with the securities commissions or similar regulatory authority British Columbia, Alberta, Manitoba and Ontario are incorporated by reference in this information circular:

- Financial statements for the six months ended December 31, 2007, the report of the auditors and related management discussion and analysis were filed on www.sedar.com on March 31, 2008.
- Annual Information Form (the "AIF") for the six months ended December 31, 2007 was filed on www.sedar.com on March 31, 2008.

Copies of documents incorporated herein by reference may be obtained by a Shareholder upon request without charge from the Corporate Secretary of the Company at Suite 250 – 1075 West Georgia Street, Vancouver, BC, V6E 3C9; telephone 604-689-9663. These documents are also available through the Internet on SEDAR, which can be accessed at www.sedar.com.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The size of the Board of Directors is currently determined at seven. The Board of Directors proposes that the number of directors remain at seven.

The term of office of each of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management's nominees and the persons named in the accompanying form of Proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company, or in accordance with the provisions of the *Business Corporations Act* (British Columbia).

In the following table and notes thereto is stated the name of each person proposed to be nominated by management for election as a director, the country in which he or she is ordinarily resident, all offices of the Company now held by him or her, his or her principal occupation, the period of time for which he or she has been a director of the Company, and the number of common shares of the Company beneficially owned by him or her, directly or indirectly, or over which he or she exercises control or direction, as at April 23, 2008.

Name, Position Held and Municipality and Country of Residence ⁽¹⁾	Present principal occupation, business or employment ⁽¹⁾	Period as a Director of the Company	Common Shares Beneficially Owned or Controlled ⁽¹⁾
IAN TERRY ROZIER ⁽¹¹⁾ President, Chief Executive Officer and Director West Vancouver, B.C., Canada	President and Chief Executive Officer of the Company.	September 5, 2003 ⁽¹²⁾	750,000 ⁽²⁾
DAVID W. COHEN ⁽⁹⁾⁽¹⁰⁾⁽¹¹⁾ Chairman, Director West Vancouver, B.C., Canada	Independent businessman; director of a number of publicly listed resource companies; 2002–2007, President and Chief Executive Officer, Northern Orion Resources Inc.	September 29, 2003 ⁽¹²⁾	955,000 ⁽³⁾
GORDON KEEP ⁽⁹⁾⁽¹⁰⁾ Director Vancouver, B.C., Canada	Executive Vice President of Fiore Financial Corporation	November 5, 2003 ⁽¹³⁾	168,750 ⁽⁴⁾
JOHN ANDREWS ⁽¹¹⁾ Director Greensboro, Georgia, U.S.A.	Independent mining consultant	October 4, 2007	Nil ⁽⁵⁾
JOHN HAWKRIGG Director Etobicoke, Ontario, Canada	Managing Partner, HKMB International Insurance Brokers.	April 28, 2006	Nil ⁽⁶⁾
J. MERFYN ROBERTS ⁽⁹⁾⁽¹⁰⁾ Director Woking, Surrey, United Kingdom	Investment Manager, CQS Management Limited; director of a number of publicly listed companies.	November 22, 2006	Nil ⁽⁷⁾
ROBERT J. GAYTON ⁽⁹⁾⁽¹⁰⁾ Director West Vancouver, B.C., Canada	Chartered accountant, self-employed financial consultant.	February 20, 2008	10,000 ⁽⁸⁾

Notes:

- (1) The information as to the municipality of residence, principal occupation and number of Common Shares held, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Mr. Rozier holds options to purchase up to (a) 275,000 Common Shares at the exercise price of \$0.56 per Common Share until November 5, 2008; (b) 3,800,000 Common Shares at the exercise price of \$1.70 per Common Share until May 24, 2011; (c) 7,000,000 Common Shares at the exercise price of \$1.82 per Common Share until March 7, 2012; and (d) 3,925,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (3) Mr. Cohen holds options to purchase up to (a) 275,000 Common Shares at the exercise price of \$0.56 per Common Share until November 5, 2008; (b) 1,800,000 Common Shares at the exercise price of \$1.70 per Common Share until May 24, 2011; (c) 7,000,000 Common Shares at the exercise price of \$1.82 per Common Share until March 7, 2012; and (d) 3,925,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (4) Mr. Keep holds options to purchase up to (a) 125,000 Common Shares at the exercise price of \$1.00 per Common Share until August 26, 2009; (b) 275,000 Common Shares at the exercise price of \$1.70 per Common Share until May 24, 2011; (c) 750,000 Common Shares at the exercise price of \$1.82 per Common Share until March 7, 2012; and (d) 200,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (5) Mr. Andrews hold options to purchase up to 250,000 Common Shares at the exercise price of \$1.82 per Common Share until March 7, 2012 and 950,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (6) Mr. Hawkrigg holds options to purchase up to (a) 250,000 Common Shares at an exercise price of \$1.70 per Common Share expiring on May 24, 2011; (b) 750,000 Common Shares at the exercise price of \$1.82 per Common Share until March 7, 2012; and (c) 200,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (7) Mr. Roberts holds options to purchase up to (a) 750,000 Common Shares at an exercise price of \$1.82 per Common Share expiring on March 7, 2012; (b) 250,000 Common Shares at an exercise price of \$1.70 per Common Share expiring on November 27, 2011; and (c) 200,000 Common Shares at the exercise price of \$2.31 per Common Share until October 5, 2017.
- (8) Dr. Gayton was appointed as a director of the Company on February 20, 2008. He holds options to purchase up to 400,000 Common Shares at an exercise price of \$3.38 per Common Share expiring on February 20, 2018.
- (9) Member of Audit Committee.
- (10) Member of Compensation Committee.
- (11) Member of Executive Committee.
- (12) Messrs. Rozier and Cohen were directors of Elgin Resources Inc. which amalgamated with Jonpol Explorations Limited to form Eastern Platinum Limited effective April 25, 2005. The date specified is the date that each became a director before the effective date of the Amalgamation.
- (13) Mr. Keep was a director of Jonpol Explorations Limited which amalgamated with Elgin Resources Inc. to form Eastern Platinum Limited effective April 25, 2005. The date specified is the date that each became a director before the effective date of the Amalgamation.

Robert Gayton

Robert Gayton is being elected to the board of directors of the Company for the first time at this Meeting having been appointed to the board as of February 20, 2008. Mr. Gayton has a B. Comm. from the University of BC (1962) and a Ph.D. in Business from the University of California, Berkeley (1973). He is a Fellow of the Institute of Chartered Accountants of Ontario (1979) and a Fellow of the Institute of Chartered Accountants of BC (1994). He formerly served on the boards of Bema Gold, Western Silver Corporation and Northern Orion Resources Inc. He also acted as V.P. Finance for numerous other companies in the resource sector including Noramco Mining, Prime Resources and Western Silver. Currently, Dr. Gayton sits on the boards and Audit Committees of a number of publicly listed companies.

Robert Gayton was director/officer of Newcoast Silver Mines Ltd. at the date of a Cease Trade Order issued by the British Columbia Securities Commission on September 30, 2003 and by the Alberta Securities Commission on October 31, 2003 for failure to file financial statements. The orders were revoked on October 23, 2003 and March 25, 2004 respectively.

None of the proposed nominees for election as a director of the Company are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and senior officers of the Company acting solely in such capacity.

Except as disclosed above, within the last 10 years before the date of this Information Circular, no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this information circular is prepared) acted in that capacity for a company that was:

- (a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- (b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has 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;
- (d) subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Certain directors of the Company are presently directors of other reporting issuers as set out under “Board of Directors” under the general heading “Corporate Governance” below.

PERSONAL BANKRUPTCIES

During the ten years preceding the date of this Information Circular, no director or proposed management nominee for election as a director of the Company has been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

AUDIT COMMITTEE

The Company has an audit committee charter. For the text of the audit committee charter please refer to Schedule A of the Company’s Annual Information Form dated March 28, 2008 which was filed on SEDAR at www.sedar.com on March 31, 2008.

All members of the audit committee are financially literate. See “Audit Committee” in the Company’s Annual Information Form for the six months ended December 31, 2007 (the “AIF”) for more information concerning the audit committee and its members. The AIF was filed on www.sedar.com on March 31, 2008.

Management of the Company strongly encourages Shareholders to review the AIF for the six months ended December 31, 2007.

STATEMENT OF EXECUTIVE COMPENSATION

Summary Compensation Table

For the most recently completed financial year (six months) ended December 31, 2007 in respect of the Chief Executive Officer (“CEO”), the Chief Financial Officer (“CFO”) and for each of the Company’s three most highly compensated executive officers as at December 31, 2007 (other than the CEO and CFO), whose total salary and bonus exceeds Cdn. \$150,000, if any, and any other additional individuals for whom disclosure would have been provided but for the fact that the individual was no longer an executive officer as at December 31, 2007 (the “Named Executive Officers” or “NEO”), the annual and long-term compensation and bonus is set out below. (**Note: Dollar amounts are in Canadian currency**).

Summary Compensation Table

NAMED EXECUTIVE OFFICERS Name and Principal Position	Year ^(A)	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		Salary ^(B) (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options Granted (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Ian Terry Rozier ⁽¹⁾⁽²⁾ President and Chief Executive Officer	2007	\$230,000	\$440,000	Nil	3,925,000	Nil	Nil	\$2,150,000 ⁽³⁾
	2006-07	\$400,000	Nil	Nil	7,000,000	Nil	Nil	Nil
	2005-06	\$285,000	\$285,000	Nil	3,800,000	Nil	Nil	US\$500,000 ⁽⁴⁾
Brian Montpellier ⁽⁵⁾ Vice President Project Development	2007	\$48,000	Nil	Nil	1,000,000	Nil	Nil	Nil
Hong Dih Lee ⁽⁶⁾ Vice President Finance Chief Financial Officer and Corporate Secretary	2007	\$37,250	Nil	Nil	1,000,000	Nil	Nil	Nil
Wayne Robinson ⁽⁷⁾ Managing Director, Barplats	2007	\$156,434	\$109,650	Nil	250,000	Nil	Nil	Nil
	2006-07	\$325,818	Nil	Nil	1,500,000	Nil	Nil	Nil
	2005-06	\$119,400	\$ 67,043	Nil	500,000	Nil	Nil	Nil
Barbara Dunfield ⁽⁸⁾ Former Vice-President Finance and Corporate Secretary	2007	\$120,000	\$120,000	Nil	175,000	Nil	Nil	\$240,000 ⁽⁹⁾
	2006-07	\$240,000	Nil	Nil	1,400,000	Nil	Nil	Nil
	2005-06	\$150,000	\$ 65,000	Nil	350,000	Nil	Nil	Nil
David McAdam ⁽¹⁰⁾ Former Chief Financial Officer	2007	\$120,000	Nil	Nil	Nil	Nil	Nil	\$240,000 ⁽¹¹⁾
	2006-07	\$240,000	Nil	Nil	1,000,000	Nil	Nil	Nil

Notes:

- (A) The year “2007” refers to the six months ended December 31, 2007, “2006-07” refers to the year ended June 30, 2007 and “2005-06” refers to the year ended June 30, 2006.
- (B) Other than Messrs. Robinson and McAdam, the Company’s Named Executive Officers are engaged under contract with those officers’ personal services companies. The compensation included under the heading “Salary” includes amounts paid as management or consulting fees to private companies controlled by Named Executive Officers of the Company
- (1) Ian Terry Rozier was appointed the President and Chief Executive Officer of Elgin Resources Inc. on January 9, 2004 and resigned as Chief Executive Officer of the Company on April 28, 2006. Mr. Rozier was re-appointed as Chief Executive Officer of the Company on September 7, 2006. He continues to serve as the President of the Company.
- (2) All amounts (except for option grants) for Mr. Rozier were paid to Buccaneer Management Inc., a private British Columbia company controlled by Mr. Rozier.
- (3) This represents a termination payment triggered from certain conditions pursuant to Mr. Rozier’s management agreement with the Company dated January 1, 2006. For further details, see “Termination of Employment, Change in Responsibilities and Employment Contracts”.

- (4) This represents payment of a “success fee” in connection with the acquisition between Elgin Resources Inc. and Jonpol Explorations Limited which formed the Company.
- (5) Brian Montpellier was appointed as Vice President Project Development on November 15, 2007. All amounts (except for option grants) for Mr. Montpellier were paid to Xiste Management Inc., a private British Columbia company controlled by Mr. Montpellier.
- (6) Horng Dih Lee was appointed as Vice President Finance and Chief Financial Officer on November 15, 2007 and was appointed Corporate Secretary on February 20, 2008. All amounts (except for option grants) for Mr. Lee were paid to Jazz Financial Ltd., a private British Columbia company controlled by Mr. Lee.
- (7) Wayne Robinson was appointed as Managing Director, Barplats on February 1, 2006.
- (8) Barbara Dunfield was appointed the Chief Financial Officer and Corporate Secretary of Elgin Resources Inc. on May 26, 2004 and resigned as Chief Financial Officer on October 11, 2006. Ms. Dunfield also served as Senior Vice-President Finance until December 31, 2007 and served as Corporate Secretary of the Company until February 20, 2008. All amounts (except for option grants) for Ms. Dunfield were paid to Prospect Point Consulting Ltd. (formerly called “Tabo Investments Ltd.”), a private British Columbia company controlled by Ms. Dunfield.
- (9) In connection with Ms. Dunfield’s resignation on December 31, 2007, Prospect Point Consulting Ltd. received a termination payment of \$240,000.
- (10) David McAdam was appointed as Chief Financial Officer on October 11, 2006 and resigned on November 15, 2007.
- (11) In connection with his resignation on November 15, 2007, Mr. McAdam received a severance payment of \$240,000.

Long Term Incentive Plan

A long term incentive plan (“LTIP”) is any plan providing compensation intended to motivate performance over a period greater than one financial year. A LTIP does not include option or stock appreciation rights plans or plans for compensation through shares or units that are subject to restrictions on resale. The Company did not have a LTIP during the recently completed fiscal year (six months) ended December 31, 2007.

Stock Appreciation Rights

A stock appreciation right (“SAR”) is a right granted by an issuer or any of its subsidiaries as compensation for employment services or office to receive cash or an issue or transfer of securities based wholly or in part on changes in the trading price of the issuer’s shares. No SARs were granted to or exercised by the Named Executive Officers during the recently completed fiscal year (six months) ended December 31, 2007 as the Company currently does not have a provision in its stock option plan or otherwise for the grant or exercise of SARs.

Stock Options

The stock options granted to the Named Executive Officers during the financial year (six months) ended December 31, 2007 were as follows:

NAMED EXECUTIVE OFFICERS Name	Securities Under Options Granted ⁽³⁾ (#)	% of Total Options Granted to Employees in Financial Year ⁽²⁾	Exercise or Base Price (\$/Security) ⁽¹⁾	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
Ian Rozier	3,925,000	26%	\$2.31	\$2.31	October 5, 2017
Brian Montpellier	1,000,000	7%	\$2.31	\$2.31	October 5, 2017
Horng Dih Lee	1,000,000	7%	\$2.31	\$2.31	October 5, 2017
Wayne Robinson	250,000	2%	\$2.31	\$2.31	October 5, 2017
Barbara Dunfield	175,000	1%	\$2.31	\$2.31	October 5, 2017

- (1) The exercise price of stock options is determined by the Board of Directors but shall in no event be less than the closing trading price of the common shares of the Company on The Toronto Stock Exchange (the "Exchange") on the last trading day immediately preceding the date of the grant or such other price as may be agreed to by the Company and approved by the Exchange.
- (2) Percentage based on total number of options granted to officers, directors and consultants during the six months ended December 31, 2007.
- (3) All options in this table are fully vested, except for Mr. Robinson's options, of which 83,333 vested on October 5, 2007, 83,333 will vest on October 5, 2008 and the remaining 83,334 will vest on October 5, 2009.

Aggregate Option Exercises During the Most Recently Completed Financial Year (six months ended December 31, 2007) and Financial Year-End Option Values

The following table sets forth details of all exercises of stock options during the most recently completed financial year (six months ended December 31, 2007) by each of the Named Executive Officers, the number of unexercised options held by the Named Executive Officers at the financial year-end and the value of unexercised in-the-money options on an aggregated basis at the financial year-end.

NAMED EXECUTIVE OFFICERS Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at FY-End (#) Exercisable/ Unexercisable	Value of Unexercised in-the-Money Options at FY-End ⁽¹⁾ (\$) Exercisable/ Unexercisable
Ian Rozier	Nil	Nil	15,000,000 Exercisable/ Nil Unexercisable	\$14,629,250 Exercisable/ \$Nil Unexercisable
Brian Montpellier	Nil	Nil	1,000,000 Exercisable/ Nil Unexercisable	\$560,000 Exercisable/ \$Nil Unexercisable
Hornng Dih Lee	Nil	Nil	1,000,000 Exercisable/ Nil Unexercisable	\$560,000 Exercisable/ \$Nil Unexercisable
Wayne Robinson	Nil	Nil	1,916,666 Exercisable/ 333,334 Unexercisable	\$2,011,666 Exercisable/ \$288,334 Unexercisable
Barbara Dunfield	Nil	Nil	2,000,000 Exercisable/ Nil Unexercisable	\$2,150,750 Exercisable/ \$Nil Unexercisable
David McAdam ⁽²⁾	Nil	Nil	1,333,333 Exercisable/ 166,667 Unexercisable	\$1,440,000 Exercisable/ \$195,000 Unexercisable

Note:

- (1) Value of unexercised in the money options calculated using the closing price of the Common Shares of the Company on the TSX on December 31, 2007 of \$2.87 less the exercise price of any in-the-money options.
- (2) Mr. McAdam was granted 500,000 stock options on May 24, 2006 at an exercise price of \$1.70 expiring May 24, 2011. Mr. McAdam was also granted 1,000,000 stock options on March 8, 2007 at an exercise price of \$1.85 expiring on March 8, 2012. The 500,000 stock options granted to Mr. McAdam on May 24, 2006 have a 3 year vesting provision.

No share options were repriced on behalf of the Named Executive Officers during the financial year (six-month) ended December 31, 2007.

Defined Benefit or Actuarial Plan Disclosure

The Company does not provide retirement benefits for Directors and executive officers.

Termination of Employment, Change in Responsibilities and Employment Contracts

Ian Rozier

Pursuant to a management agreement dated effective January 1, 2006, as amended July 14, 2006, Buccaneer Management Inc., a private British Columbia company controlled by Ian Rozier, is paid a fee of \$27,500 per month, which increased to \$33,333 per month effective July 1, 2006 for Mr. Rozier's capacity as acting as President. The agreement is in effect until December 31, 2007, subject to termination by the Company giving not less than 30 days' notice in writing at any time. The term of the agreement may be extended by mutual agreement between the parties. In addition, pursuant to a further agreement dated effective January 1, 2006, Buccaneer Management Inc. is granted the right to terminate the Management Agreement within 24 months of a "Change of Control" by giving at least 30 days' written notice. However, if notice is given pursuant to this Change of Control Agreement the Management Agreement will terminate on the date given in the notice and Buccaneer shall be entitled to a payment from the Company of \$660,000 plus an additional bonus payment based upon each of the two previous year's bonus payments within five business days of Buccaneer giving such notice. In addition, on such termination, any restrictions on purchasing common shares contained in options granted to Buccaneer shall be waived. For the purposes of the Change of Control Agreement, "Change of Control" includes: where a person or combination of persons has the rights to 20% or more of the voting rights attaching to the shares; a consolidation, merger or amalgamation where all outstanding shares which had voting rights were changed in any way or acquired for shares of any other person, other than transactions approved by a majority of directors holding office as at January 1, 2006, a change in the majority of the board of directors, or the majority of the board of directors resign.

On December 7, 2007, Buccaneer exercised its right to terminate the Management Agreement following a change in control which occurred in May 2006. As part of the termination, Buccaneer received \$2,150,000 calculated in accordance with the Change in Control Agreement.

Following the termination of the above Management Agreement, the services of Ian Rozier are currently provided pursuant to a new management services contract with Buccaneer Management Inc. ("Buccaneer") dated December 7, 2007. Under the terms of the initial contract, Buccaneer is paid a fee of Cdn.\$43,333 per month. Buccaneer is also entitled to receive cash bonuses and stock options. In the event of termination or resignation within 24 months following a change of control or a change in the majority of the members of the Board, Buccaneer is entitled to receive a payment equal to three times its annual base fee plus an additional amount equal to three times its average annual bonus percentage for the prior two years, applied to the highest base fee in effect during the 12-month period immediately preceding the termination. The current management contract has been reviewed by the Compensation Committee, a committee of independent directors of the Company, and approved by the Board of Directors.

Buccaneer is also party to a Success Fee Agreement dated September 1, 2007, whereby Buccaneer will receive, as a trustee for members of the management of the Company, a success fee upon the completion of a transaction or series of transactions. For the purposes of this agreement, a "Transaction" is defined as (a) any merger, consolidation, reorganization, recapitalization, restructuring, leveraged buyout, business combination, or any transaction pursuant to which the Company is acquired by or combined with a third party; or (b) the acquisition by a third party of any assets or operations of the Company, or any outstanding shares of the Company; or (c) a sale or spin-off of any material assets, of 5% or more of the capital stock of any subsidiary of the Company, or any transaction which has the effect of altering the capitalization of the Company. Where a change in control accompanies the Transaction, the success fee will be equal to 1% of the aggregate transaction value as defined in the Success Fee Agreement. If the Transaction involves the acquisition of less than 50% of the voting power of the then outstanding Company's shares, then the success fee will be equal to 0.5% of the aggregate transaction value.

Buccaneer, in consultation with the Company's Compensation Committee, will allocate the success fee amongst the members of the management of the Company as it deems appropriate. The Success Fee Agreement has been reviewed by the Compensation Committee, a committee of independent directors of the Company, and approved by the Board of Directors.

Brian Montpellier

The services of Brian Montpellier are provided pursuant to a management services contract with Xiste Management Ltd. ("Xiste") dated November 15, 2007. Under the terms of the contract, Xiste is paid a fee of \$32,000 per month. Xiste and Brian Montpellier are also entitled to receive cash bonuses and stock options, respectively. In the event of termination or resignation within six months following a change of control or a change in the majority of the members of the Board, Xiste is entitled to receive a payment equal to two times its annual base fee plus an additional amount equal to two times its average annual bonus percentage for the prior two years, applied to the highest base fee in effect during the 12-month period immediately preceding the termination. The current management contract has been reviewed by the Compensation Committee, a committee of independent directors of the Company, and approved by the Board of Directors.

Hornng Dih Lee

The services of Hornng Dih Lee are provided pursuant to a management services contract with Jazz Financial Ltd. ("Jazz") dated November 15, 2007. Under the terms of the contract, Jazz is paid a fee of \$24,333 per month. Jazz and Hornng Dih Lee are also entitled to receive cash bonuses and stock options, respectively. In the event of termination or resignation within six months following a change of control or a change in the majority of the members of the Board, Jazz is entitled to receive a payment equal to two times its annual base fee plus an additional amount equal to two times its average annual bonus percentage for the prior two years, applied to the highest base fee in effect during the 12-month period immediately preceding the termination. The current management contract has been reviewed by the Compensation Committee, a committee of independent directors of the Company, and approved by the Board of Directors.

Wayne Robinson

The Company has an employment agreement with Wayne Robinson respecting his employment as Managing Director, Barplats at an annual salary of ZAR 2,461,000 (Cdn.\$354,384 based on a rand-Canadian dollar exchange rate of 0.1440 at December 31, 2007), effective January 1, 2008. The agreement may be terminated for cause, or without cause by payment of three months of Mr. Robinson's annual base salary per year of service to a maximum of twelve months. However, in the event of a change in control resulting in termination of employment, Mr. Robinson is entitled to a termination payment equal to 12 months' salary and all unvested options will immediately vest and become exercisable for 90 days from the date of termination.

Barbara Dunfield

The services of Barbara Dunfield are provided pursuant to a management services contract with Prospect Point Consulting Ltd. ("Prospect Point") dated January 1, 2006 and amended July 14, 2006. Under the terms of the contract, Prospect Point is paid a fee of \$20,000 per month. Prospect Point and Barbara Dunfield are also entitled to receive cash bonuses and stock options, respectively. The contract with Prospect Point was terminated on December 31, 2007, and under the terms of the contract, Prospect Point received a termination payment of \$240,000. On December 31, 2007, Prospect Point also entered into a separate consulting agreement to assist with the transition of duties until December 31, 2008. Prospect

Point will receive a fee of \$20,000 per month until June 30, 2008, \$15,000 per month from July 1 to September 30, 2008 and \$10,000 per month from October 1, to December 31, 2008.

David McAdam

The employment of David McAdam as the Chief Financial Officer was terminated effective December 31, 2007. Mr. McAdam received a termination payment of \$240,000 and entered into a separate consulting agreement for \$20,000 per month until March 31, 2008 and \$1,250 per day for services required thereafter to assist with the transition of his duties.

Composition of the Compensation Committee

The Compensation Committee of the Board of Directors of the Company was appointed on October 4, 2007 (the date of the Company's last Annual General Meeting), and is composed of three directors, Messrs Cohen ("Chairman"), Keep and Roberts. Dr. Gayton became a director and a member of the Compensation Committee on February 20, 2008. All members of the Compensation Committee are independent directors according to the tests set forth in National Instrument 52-110 – Audit Committees ("NI52-110"). None of the committee members are or were during the most recently completed financial year (six months ended December 31, 2007) an executive officer or employee of the Company or any of its subsidiaries.

Report on Executive Compensation

The Board collectively has the responsibility to administer the compensation policies related to the executive management of the Company, including those named in the Summary Compensation Table above. Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy.

Compensation for the current and prior fiscal years has historically been based upon an executive's performance, level of expertise, responsibilities, length of service to the Company and comparable levels of remuneration paid to executives of other companies of comparable size and development within the industry, with stock options being issued as an incentive for performance. The shareholders have approved a stock option plan pursuant to which the Board has granted stock options to executive officers. The stock option plan allows compensation of participants while providing additional incentive to work toward long term Company performance. The stock option plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his impact on and/or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX, and closely align the interests of the executive officers with the interests of shareholders.

In August 2007, the Company engaged Mercer Consulting, a human resource consulting firm, to provide an independent report on chief executive officer and chairman compensation for the mining industry and for mining companies of a similar size to Eastern Platinum for a fee of \$6,000. The Compensation Committee determined the total compensation package of each of the CEO and President and the Chairman of the Board for the six months ended December 31, 2007 based on the findings in the Mercer report.

Executive compensation is established with reference to the upper end of the range of compensation for CEO's of comparable companies. The comparable companies are natural resource companies involved in the acquisition, exploration, financing, development and operation of mineral properties.

i) Base Salary

The Compensation Committee approves base salaries for the Named Executive Officers based on reviews of market data from peer group, industry and national surveys provided by independent consultants. The level of base salary for each executive officer has been determined using a subjective assessment of each individual's performance, experience and other factors which the Compensation Committee believes to be relevant, including prevailing industry demand for individuals having comparable skills and performing similar duties, and the compensation the individual could reasonably expect to receive from a competitor. Generally, the base salaries of the Company's Named Executive Officers are established with reference to the 75th percentile of the range of compensation for executive officers of comparable companies.

ii) Performance Bonus

In recognition of the Company's achievements during the year ended June 30, 2007, the Company granted bonuses in October 2007 of \$440,000 to Ian Rozier, the Company's President and CEO, \$120,000 to Barbara Dunfield, the Company's V.P. Finance (until December 31, 2007) and Corporate Secretary (until February 20, 2008), ZAR 750,000 (Cdn.\$109,650) to Wayne Robinson, the Managing Director of Barplats, and \$250,000 to David Cohen, the Chairman of the Board of Directors of the Company. The decision to award the bonuses was primarily based on the profitability of the Company's Crocodile River Mine, the achievement of certain pre-determined benchmarks, including reaching safety targets, completion of an updated independent technical report on the Company's Crocodile River Mine and completion of infill drilling programs at the Spitzkop/Kennedy's Vale Project, and completion of the Gubevu transactions. The Compensation Committee does not set benchmarks based on share price performance. The determination of the amount of bonus awarded was based on comparisons with bonuses awarded by other natural resource companies involved in the acquisition, exploration, financing, development and operation of mineral properties and took into account the range of bonuses for executive officers of comparable companies for similar achievements.

In December 2007, on the recommendation of the Compensation Committee, the directors approved the establishment of a "success fee" bonus plan in the form of a Success Fee Agreement between the Company and Buccaneer Management Inc., a private company controlled by Ian Rozier, President and CEO of the Company. Under this agreement, Buccaneer will receive, as a trustee for members of the management of the Company, a success fee upon the completion of a transaction or series of transactions. For the purposes of this agreement, a "Transaction" is defined as (a) any merger, consolidation, reorganization, recapitalization, restructuring, leveraged buyout, business combination, or any transaction pursuant to which the Company is acquired by or combined with a third party; or (b) the acquisition by a third party of any assets or operations of the Company, or any outstanding shares of the Company; or (c) a sale or spin-off of any material assets, of 5% or more of the capital stock of any subsidiary of the Company, or any transaction which has the effect of altering the capitalization of the Company. Where a change in control accompanies the Transaction, the success fee will be equal to 1% of the aggregate transaction value as defined in the Success Fee Agreement. If the Transaction involves the acquisition of less than 50% of the voting power of the then outstanding Company's shares, then the success fee will be equal to 0.5% of the aggregate transaction value. Buccaneer, in consultation with the Company's Compensation Committee, will allocate the success fee amongst the members of the management of the Company as it deems appropriate. The Success Fee Agreement has been reviewed by the Compensation Committee, a committee of independent directors of the Company, and approved by the Board of Directors.

Annual bonuses may be awarded at the sole discretion of the Board, based on recommendations of the Compensation Committee, for individual achievements, contributions or efforts that the Compensation Committee has determined can reasonably be expected to have a positive impact on the value of the Company to shareholders. Those eligible for consideration under the plan include full-time senior officers, employees and consultants of the Company and its affiliates.

iii) Stock Options

The Company's Stock Option Plan is administered by the Board of Directors based, in part, upon recommendations of the Compensation Committee. The Stock Option Plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability, and to reward individuals for current performance and expected future performance. The Compensation Committee considers the amount and terms of previously granted stock options when reviewing executive officer compensation packages as a whole and determining any new stock option grants.

The Board of Directors determines, upon the recommendations of the Chief Executive Officer and the Compensation Committee, the key employees and service providers to whom grants are to be made and determines the terms and conditions of the options forming part of such grants. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company.

iv) Chief Executive Officer Compensation

The compensation of the Chief Executive Officer consists of an annual base salary and incentive stock options determined in the manner described in the above discussion of compensation for all senior managers. The Chief Executive Officer is entitled to participate in the Success Fee arrangement established by the Compensation Committee and is also entitled to receive annual bonuses at the discretion of the Compensation Committee.

The compensation of the Chief Executive Officer is approved annually by the Board of Directors and is based on the same criteria used to determine compensation of other executives and is established with reference to the upper end of the range of compensation for CEOs of comparable companies. The comparable companies are natural resource companies involved in the acquisition, exploration, financing, development and operation of mineral properties. Base compensation and variable cash compensation levels are based on market survey data provided to the Compensation Committee by independent compensation consultants. Compensation is also based on annual reviews of the CEO's performance in relation to the Company's objectives and in relation to other factors that may have impacted the ability of the Company in achieving its objectives.

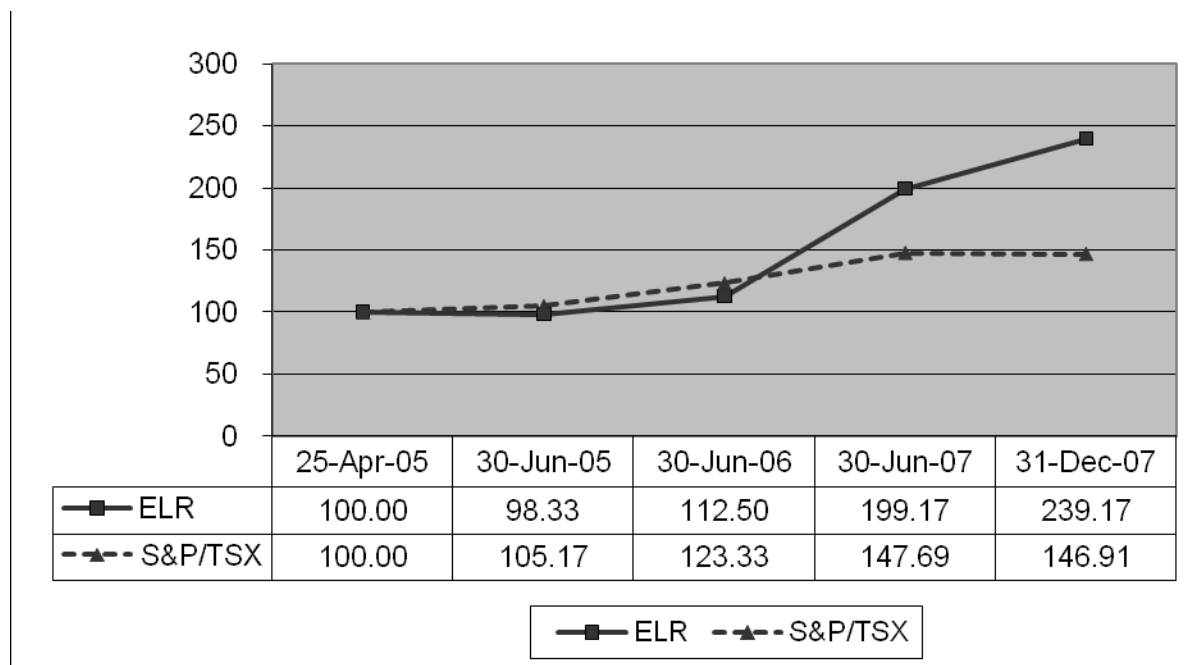
v) Other Compensation

Certain officers of the Company have entered into employment or management agreements with the Company, which specify the minimum level of annual base salary or management fees to be paid to such officers, as well as other conditions or terms of employment. (See "Termination of Employment, Changes in Responsibility and Employment Contracts" above for further information.)

This Report of Executive Compensation was prepared on behalf of the Compensation Committee: David Cohen, Chair, Gordon Keep and Merfyn Roberts.

PERFORMANCE GRAPH

The following graph compares the total cumulative return to a Shareholder who invested \$100 in Common Shares of the Company on April 25, 2005 (date of amalgamation with Jonpol Explorations Limited to form Eastern Platinum Limited) with the total cumulative return of the TSX to the date of the most recent year end of the Company.



Compensation of Directors

The Company's directors are compensated for services by the grant of stock options under the Option Plan. Directors are reimbursed for individual travel and other ancillary expenses incurred in connection with attending board and committee meetings.

The following directors received options in their capacity as a director during the financial year (six months) ended December 31, 2007:

Name of Director	Securities Under Options Granted (#)	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant ⁽¹⁾ (\$/Security)	Expiration Date
Ian Rozier	3,925,000	\$2.31	\$2.31	October 5, 2017
David Cohen	3,925,000	\$2.31	\$2.31	October 5, 2017
Gordon Keep	200,000	\$2.31	\$2.31	October 5, 2017
John Hawkrigg	200,000	\$2.31	\$2.31	October 5, 2017
J. Merfyn Roberts	200,000	\$2.31	\$2.31	October 5, 2017
John Andrews	950,000	\$2.31	\$2.31	October 5, 2017

Note:

⁽¹⁾ Market value is based on the closing price of the Company's Common Shares on the TSX on October 4, 2007 of \$2.31 per Common Share.

The Company has a formalized stock option plan pursuant to which incentive stock options may be granted to Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

Until October 2007, non-executive directors were each paid an annual fee of \$40,000. In October 2007, the annual fee payable to the Chairman of the board was increased to \$280,000 and the annual fees payable to all other non-executive directors were increased to \$60,000.

The Company has no other arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year (six months ended December 31, 2007), or subsequently, up to and including the date of this information circular.

Except as otherwise disclosed herein, the Company has no plans other than the Stock Option Plan previously referred to herein pursuant to which cash or non-cash compensation was paid or distributed to directors during the most recently completed financial year or is proposed to be paid or distributed in a subsequent year. During the most recently completed financial year (six months ended December 31, 2007), the Company granted 5,475,000 options to purchase securities of the Company to the directors of the Company other than the Named Executive Officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has in place a share option plan dated for reference March 31, 2005 (the “Existing Plan”). The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Existing Plan is administered by the directors of the Company. The Existing Plan provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Existing Plan is a 10% rolling share option plan and provides that the number of Common Shares issuable under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the Company's issued and outstanding Common Shares. All options expire on a date not later than 10 years after the date of grant of such option.

On May 1, 2008 the Board approved the adoption of a new fixed number share option plan, subject to regulatory and shareholder approval. See particulars under “Particulars of Matters to be Acted Upon - Share Option Plan”.

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year (six months ended December 31, 2007).

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders (“Option Plan”)	46,360,000 ⁽¹⁾	\$1.94	20,543,169 ⁽²⁾

Plan Category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	46,360,000 ⁽¹⁾	\$1.94	20,543,169 ⁽²⁾

(1) The Company granted 15,090,000 stock options on October 4, 2007 with an exercise price of \$2.31 per share expiring on October 5, 2017; 90,000 stock options on November 26, 2007 with an exercise price of \$2.62 per share expiring November 27, 2017; and 150,000 stock options on December 11, 2007 with an exercise price of \$2.50 per share expiring December 12, 2017. As at the record date, the number of securities to be issued upon the exercise of outstanding options is 47,475,000.

(2) 10% of the Company's outstanding issue as at December 31, 2007 less options outstanding as at December 31, 2007.

Details of the Company's Stock Option Plan are set out in the notes to its audited financial statements which may be accessed at the Company's web site or www.sedar.com.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

At any time during the Company's last completed financial year, no director, executive officer or senior officer of the Company, proposed management nominee for election as a director of the Company or each associate or affiliate of any such director, executive or senior officer or proposed nominee is or has been indebted to the Company or any of its subsidiaries or is and has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

CORPORATE GOVERNANCE

General

The board of directors (the "Board") of the Corporation believes that good corporate governance improves corporate performance and benefits all Shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101F1 - *Corporate Governance Disclosure*, which prescribes certain disclosure by the Corporation of its corporate governance practices. This section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with National Instrument 58-101F1.

Independence of Members of the Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

A majority of the Board is independent, and one director is an officer of the Company. The independent directors of the Company are David Cohen, Gordon Keep, John Hawkrigg, Merfyn Roberts and Robert

Gayton. The non-independent directors are Ian Terry Rozier (President and Chief Executive Officer of the Company) and John Andrews (consultant).

Participation of Directors in Other Reporting Issuers

The following directors are presently directors of the following reporting issuers in Canada or a foreign jurisdiction:

Director	Other Issuers
IAN ROZIER	Newport Explorations Ltd. and Sennen Resources Ltd.
DAVID COHEN	Bordeaux Energy Inc., Newport Explorations Ltd., and LNG Energy Ltd.
GORDON KEEP	Uracan Resources Ltd., Peregrine Diamonds Ltd., Peak Gold Ltd., Rusoro Mining Ltd., Flagship Industries Inc., Prescient Neuropharma Inc. and Skyridge Resources Ltd.
JOHN ANDREWS	Beartooth Platinum Corporation
JOHN HAWKRIGG	NexgenRX Inc., and BF Minerals Ltd.
J. MERFYN ROBERTS	Central China Goldfields plc, Rambler Metals and Mining plc, Emerald Energy plc, Ocean Resources Capital Holdings plc and European Minerals Corp.
ROBERT GAYTON	Western Copper Corp., Intrinsic Software, Nevsun Resources, Amerigo Resources, Canadian Zinc, Quaterra Resources, Palo Duro Energy Inc. and B2 Gold Corp.

Management Supervision by Board

The Company's independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. The board encourages independent board members to discuss all matters with both other independent directors and non-independent directors and management in order that they are fully informed and apprised of all matters necessary to make objective decisions as directors.

The Chairman of the board of directors is independent. The independent directors have not appointed a lead director of its independent directors.

Attendance of Board and Committee Members

The attendance record of directors is as follows:

Attendance Record of Directors From July 1, 2007 to December 31, 2007								
Directors	Board of Directors Meetings ⁽¹⁾	Audit Committee Meetings	Compensation Committee Meetings	Executive Committee	Health and Safety Committee	Environmental Committee	Nomina-ting Committee	Risk Committee
	3	2	1	3	2	2	0	2
Ian Rozier	3/3	-	-	3/3	-	-	-	-
David Cohen	3/3	2/2	1/1	3/3	-	-	0/0	-
Gordon Keep	3/3	2/2	1/1	-	2/2	2/2	0/0	2/2
John Hawkrigg ⁽³⁾	3/3	0/1	-	-	2/2	2/2	-	2/2
J. Merfyn Roberts ⁽³⁾	3/3	1/1	1/1	-	-	-	-	-
John Andrews ⁽⁴⁾	3/3	-	-	0/0	2/2	2/2	-	2/2
Robert Gayton ⁽²⁾	0/0	-	-	-	-	-	-	-

(1) Includes both regularly scheduled and additional meetings.

(2) Robert Gayton was appointed a director on February 20, 2008

(3) Effective October 4, 2007, J. Merfyn Roberts replaced John Hawkrigg on the Audit Committee.

(4) John Andrews was appointed to the Executive Committee on October 4, 2007. There were no Executive Committee meetings between October 4, 2007 and December 31, 2007.

Board Mandate

The Board is empowered by governing corporate law, the Company's Articles and the Corporate Governance Policy to manage, or supervise the management of, the affairs and business of the Corporation. The Board has adopted a formal written mandate that provides that the Board of Directors of the Company has overall responsibility for the stewardship of the Company.

Long-term strategies with respect to the Company's operations are developed by senior management of the Company and considered and, if appropriate, adopted by the Board. The strategies are reviewed and updated as required.

The Board has the responsibility to identify the principal risks of the Company's business and has committed, with management, to establish and maintain systems and procedures to ensure that these risks are monitored. These systems and procedures include the effective management of the Company's assets and financial resources, and ensuring compliance with all regulatory obligations.

The Board is responsible for the supervision of senior management to ensure that the operations of the Company are conducted in accordance with objectives set by the Board. All appointments of senior management are approved by the Board. As part of the Company's planning process, succession planning for senior management positions is reviewed and discussed.

The Company's communications system ensures that all material issues relating to the Company are adequately communicated to shareholders and other stakeholders. The system includes provision of annual and quarterly reports and press releases.

The Company, through its audit committee, reviews compliance of financial reporting with accounting principles and appropriate internal controls. The audit committee meets quarterly with the Company's external auditors.

Position Descriptions

The Board of Directors has not developed written position descriptions for the chair of each committee.

The Board also does not have a written position description for the Chief Executive Officer. However, the Board delineates the role of the CEO through industry norms and past practice and through reference to the terms of his contract. The CEO is responsible for carrying out all strategic plans and policies as established by the Board. The CEO is required to report to the Board and advise and make recommendations to the Board. The CEO also facilitates communications between the Board and other members of management, employees and shareholders.

Orientation and Continuing Education

The Board has not developed a formal orientation policy for new directors. We have an informal orientation program which involves new directors meeting with senior management to discuss the business of the Company, board policies and historical and current operating and financial information, and touring our head office.

In order to ensure that directors maintain the skill and knowledge necessary to meet their obligations as directors, the Company encourages its directors to take director education and training courses offered by post-secondary institutions. Directors are reimbursed for the expense of these training courses.

Ethical Business Conduct

The Company has adopted a Code of Conduct that governs the behaviour of its directors, officers and employees. The Chair of the Audit Committee is responsible for monitoring compliance with the Code of Conduct. A copy of the Code of Conduct may be obtained from www.sedar.com.

The Board has in place a number of procedures designed to ensure that directors exercise independent judgement in a matter where a director or officer has a material interest. A relevant director must declare his or her interest in a material transaction and refrain from voting on the relevant transaction.

Nomination of Directors

The Company has a Nominating Committee which is responsible for developing qualification criteria for Board membership and identifying potential Board candidates based on such criteria. The Committee assesses potential Board candidates based on the particular skill-sets identified including particular expertise, independence and other factors. Members of the Board and representatives of the mining industry are consulted for possible candidates. The Board is developing a written charter for the Nominating Committee that sets forth the responsibilities of the Committee with respect to director nominations, which include considering what competencies and skills the Board, as a whole, should possess, the appropriate size of the Board in order to facilitate effective decision-making and assessing the same on a periodic basis, making recommendations to the Board with respect to filling vacancies,

evaluating the performance of individual directors and making recommendations as to their further nomination, reviewing proposed shareholder nominees, making recommendations to the Board regarding resignations of directors and supervising and advising on succession planning strategies of management. The Committee has the power to retain outside advisors as it considers necessary for the proper functioning of the committee, at the Company's expense. The Committee meets at least once annually and otherwise as requested by the Board or considered desirable by the Chair of the committee.

The members of the Nominating Committee are Gordon Keep (chair), David Cohen and Ian Rozier.

Compensation Committee – Compensation of Directors and Officers

The Company has a compensation committee comprised of Messrs. Cohen (Chairman), Keep and Roberts, three outside directors all of whom are unrelated. The overall purpose of the Compensation Committee is to make recommendations to the Board for human resources and compensation policies and to implement and oversee same if the Board approves the recommendations for the Company.

The Compensation Committee reviews and makes recommendations to the Board regarding the appointment of executive officers and the establishment of, and any material changes to, executive compensation programs, including the compensation of the Chief Executive Officer. The Compensation Committee also reviews the establishment of corporate milestones, reviews the Chief Executive Officer's goals and objectives and will provide an appraisal of the Chief Executive Officer's performance for the most recently completed year. The Committee approves and reports to the Board on management succession plans. It is also responsible for overseeing the Corporation's employee compensation and benefits plans once the essential terms have been agreed to by the Board.

Executive Committee

The members of the executive committee are David Cohen, John Andrews and Ian Rozier. The functions of the executive committee are to exercise all of the directors' powers with the exception of:

- (a) those powers previously delegated to the Audit Committee;
- (b) those powers previously delegated to the Compensation Committee;
- (c) the power to fill vacancies in the board of directors;
- (d) the power to remove a director; and
- (e) the power to change the membership of, or fill vacancies in, any committee of the directors.

Health and Safety Committee and Environmental Committee

Both the Health and Safety Committee and the Environmental Committee are presently composed of the same three directors (John Andrews, John Hawkrigg, and Gordon Keep) and one non-director (Wayne Robinson, Managing Director of Barplats). These two committees assist the Board in its oversight responsibilities relating to the development, review, and evaluation of the Company's health, safety and environmental objectives, and the monitoring of compliance with applicable health, safety and environmental laws and regulations. The committees meet on an ad-hoc basis as required.

Other Committees

The Board has no other committees other than an audit committee and a risk committee and other committees as described above.

See the Company's AIF for the six months ended December 31, 2007 filed on www.sedar.com for more information concerning the audit committee and its members.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

At this time the Board is satisfied with the composition and effectiveness of the Board of Directors, each of its committees and the senior executives of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular and other than transactions carried out in the ordinary course of business of the Company or any of its subsidiaries, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person of the Company, nor any Shareholder beneficially owning shares carrying more than 10% of the voting rights attached to the shares of the Company nor an associate or affiliate of any of the foregoing persons had since July 1, 2007 (being the commencement of the Company's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITOR

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the reappointment of Deloitte & Touche LLP, of 2800, 1055 Dunsmuir Street, Vancouver, B.C., as auditor to the Company. Deloitte & Touche LLP were appointed auditors of the Company on April 25, 2005, the date of amalgamation of Jonpol Explorations Limited and Elgin Resources Inc. Deloitte & Touche LLP were first appointed auditors of Jonpol Exploration Limited on June 29, 2004.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, no person who has been a director or senior officer of the Company at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors.

The Company has a consulting agreement with Andrews PGM Consulting, a private company controlled by John Andrews, a director of the Company since October 4, 2007. Under the agreement, Andrews PGM Consulting provides consulting services in connection with the Company's Crocodile River Mine and other development properties in South Africa for monthly fee of US\$5,600 plus expenses. From October 4, 2007 to December 31, 2007, Andrews PGM Consulting was paid a fee of US\$16,800.

PARTICULARS OF MATTERS TO BE ACTED UPON

Share Option Plan

The Existing Plan

The Existing Plan approved by the Company's shareholders on March 31, 2005, is a rolling plan allowing the Company to reserve up to 10% of the issued and outstanding Common Shares of the Company for issuance as share incentive options to be granted at the discretion of the Company's Board to eligible optionees (the "Optionees"). As at April 23, 2008, there were 672,984,102 issued and outstanding Common Shares of the Company, 10% of which totalled 67,298,410 Common Shares available for reserve for granting of options. As at April 23, 2008 there were 47,475,000 options outstanding (7.1% of the current issued and outstanding Common Shares) under the Existing Plan. These options have a weighted average exercise price of \$1.98 and a weighted average remaining contractual life of 5.4 years.

The Proposed 2008 Share Option Plan

The Company trades on the Toronto Stock Exchange (the "TSX"). The policies of the TSX require the Company to seek shareholder approval to its option plan every three years. In connection with the Company's obligation to seek such shareholder approval at its 2008 annual shareholders meeting, the board of directors has determined to terminate the Existing Plan, replace it with a new amended and restated share option plan, which is a fixed number option plan, and bring the Company's share option plan into compliance with all the policy provisions of the TSX in effect as at the date of this Information Circular.

In order to provide incentive to directors, officers, employees, management and others who provide services to the Company, to act in the best interests of the Company, the Board approved on May 1, 2008, subject to regulatory and shareholder approval, a new fixed number share option plan (the "2008 Share Option Plan") to replace the Existing Plan.

Under the 2008 Share Option Plan, 75,000,000 Common Shares of the Company are reserved for issuance upon exercise of options. All outstanding options to purchase Common Shares issued under the Existing Plan will continue to exist under the 2008 Share Option Plan provided that the fundamental terms governing such options will be deemed to be those under the Existing Plan. Upon adoption of the 2008 Share Option Plan, options to purchase a total of 27,525,000 Common Shares will be available for grant under the 2008 Share Option Plan. This number represents 75,000,000 (11.17% of current issued and outstanding Common Shares) less the 47,475,000 previously granted options under the Existing Plan (7.1% of current issued and outstanding Common Shares.)

Material Terms of the 2008 Share Option Plan

The following is a summary of the material terms of the 2008 Share Option Plan:

- (a) persons who are directors, officers, employees, consultants to the Company or its affiliates, or who are employees of a management company providing services to the Company are eligible to receive grants of options under the 2008 Share Option Plan;
- (b) all options granted under the 2008 Share Option Plan are non-assignable and non-transferable, except:

- upon the death of an Optionee, in which case all options held by the deceased Optionee are exercisable by the lawful personal representatives, heirs or executors of the deceased Optionee, until one year after the date of death of such deceased Optionee and the expiration date of the term otherwise applicable to those options; or
 - subject to approval of the TSX and the shareholders of the Company, as amended by amendments to the 2008 Share Option Plan;
- (c) all options granted under the 2008 Share Option Plan are exercisable for a period of up to 5 years and will vest at the discretion of the board of directors, provided that the term of such options may be extended in circumstances where the expiry date otherwise falls during a black-out period as determined in accordance with the Company's policies or applicable securities legislation;
- (d) options granted to any one non-executive Director in the aggregate under the 2008 Share Option Plan shall not exceed 1% of the outstanding shares of the Company and the value of the options granted under the 2008 Share Option Plan to any one non-executive Director shall not exceed \$1,000,000, calculated in accordance with the Black-Scholes valuation method;
- (e) the exercise price of the option is established by the board of directors at the time the option is granted, provided that the minimum exercise price shall not be less than the Market Price being the weighted average trading price of the Company's shares on the TSX for the five trading days preceding the date of the grant;
- (f) if an Optionee ceases to be employed by the Company (other than as a result of termination with cause in which case the option terminates immediately), or ceases to act as a director or officer of the Company or a subsidiary of the Company, any vested options held by such Optionee may be exercised within 90 days after the date such Optionee ceases to be employed or act as an officer or director;
- (g) Optionees may elect to avail themselves of the cashless exercise feature in the 2008 Share Option Plan, by agreeing to terminate the option held by them, and in lieu thereof, receive that number of Common Shares, disregarding fractions, which, when multiplied by the fair value of the Common Shares to which the option so terminated relates, has a value equal to the product of the number of Common Shares to which the terminated option relates multiplied by the difference between the fair value (which shall be the average of the high and low board lot prices for the Common Shares on the TSX, or if the Common Shares are not then traded on the TSX, on the most senior of any other exchange on which the Common Shares are then traded, for the five trading days immediately preceding the date of termination of such option) and the exercise price per share of the Common Shares to which the option so terminated relates; and
- (h) subject to the policies of the TSX, the 2008 Share Option Plan may be amended by the board of directors without further shareholder approval to:
- make amendments which are of a "housekeeping" or clerical nature only;
 - change the vesting provisions of an option or the 2008 Share Option Plan; and
 - change the termination provision of an option, or the 2008 Share Option Plan, provided that such change does not entail an extension beyond the original expiry date of such option.

- (i) Subject to the policies of the TSX, the 2008 Share Option Plan may be amended with approval of the shareholders to:
- amend the number of Common Shares issuable under the 2008 Share Option Plan;
 - amend the eligibility provisions of the 2008 Share Option Plan where such amendment would have the potential of broadening or increasing insider participation or would otherwise amend any limitations of award limits imposed on non-executive director participants;
 - provide for financial assistance to an Optionee or amend any existing financial assistance provisions so as to make such provisions more favourable to Optionees;
 - add a deferred or restricted share unit or effect any other amendment which results in Optionees receiving securities where no cash consideration is received by the Company;
 - allow for options to be transferable or assignable other than in the case of death of an Optionee; and
 - amend provisions of the 2008 Share Option Plan dealing with amendments to the 2008 Share Option Plan or any outstanding options.
- (j) Subject to the policies of the TSX, and the 2008 Share Option Plan the Company will require disinterested shareholder approval prior to effecting:
- reservation of an aggregate number of shares exceeding 10% of the issued and outstanding listed Common Shares of the Company, at any time or in any 12 month period, under the 2008 Share Option Plan, together with all of the Company's other share compensation arrangements, for issuance under stock options granted to insiders; or
 - any reduction in the exercise price or extension of the term of an option previously granted to an insider of the Company and for such purpose the cancellation of an option and the regrant of new options to the same person at a reduced exercise price within 3 months of such cancellation will be deemed to be a reduction in the exercise price.

Disinterested Shareholder Approval

In accordance with the requirements of the TSX and the terms of the 2008 Share Option Plan, the 2008 Share Option Plan must be approved by the disinterested shareholders if under the 2008 Share Option Plan:

- a) the number of options granted to insiders of the Company within a one year period may exceed 10% of the Company's outstanding listed Shares; and
- b) there is any reduction in exercise price or extension of the term of an option previously granted to an insider, and for the purposes of this section, the cancellation of an option and the regrant of options to the same Optionee at a reduced exercise price within three months of such cancellation will be deemed to be a reduction in the exercise price.

“Disinterested Shareholder Approval” means the approval by a majority of the votes cast by all shareholders of the Company at the Meeting excluding votes attached to listed Common Shares beneficially owned by insiders of the Company to whom the options have been granted under the Existing Plan and associates of those insiders.

For the purposes of the disinterested shareholder vote, any Common Shares held by insiders entitled to receive or benefit under the 2008 Share Option Plan will not be eligible to vote on the resolution. An insider is a director, or senior officer of the Company, a director or senior officer of a company that is an insider or subsidiary of the Company, a person that beneficially owns or controls, directly or indirectly, voting Shares carrying more than 10% of the voting rights attached to all outstanding voting Shares of the Company. The Company has determined that a total of 1,913,750 Common Shares will not be eligible to vote on the resolution as disclosed herein.

At the Meeting, the Company's transfer agent and registrar will be directed to exclude votes on this resolution by such insiders and associates.

Restrictions If Interested Shareholder Vote

If the resolution is not approved by the disinterested shareholders, then a second vote will be held where insiders and their associates will be permitted to vote, and the 2008 Share Option Plan may be approved; however, in this instance, insiders will not be granted options for more than 10% of the outstanding listed Common Shares.

Resolution

At the Meeting, shareholders will be asked to consider and, if thought fit, pass a resolution as follows:

“Resolved that the Company replace its existing Share Option Plan (“Existing Plan”) dated for reference March 31, 2005, with the new Share Option Plan dated for reference June 4, 2008, and that up to 75,000,000 of the Company's issued and outstanding Common Shares be reserved for issuance to eligible Optionees, less such number of Common Shares as are reserved for issuance upon the exercise of options outstanding under the Existing Plan provided that such outstanding options would be brought under the new Share Option Plan.”

Recommendation

The Company is of the view that the 2008 Share Option Plan provides the Company with the flexibility necessary to attract and maintain the services of senior executives and other employees in competition with other businesses in the industry. A full copy of the 2008 Share Option Plan will be available for inspection at the Meeting and on the Company's website at www.eastplats.com.

The TSX requires that each company listed on the TSX have a stock option plan if the company grants options to its Optionees. The 2008 Share Option Plan is very similar to the arrangements under which the Company has traditionally granted options in the past and may be considered at future annual meetings.

The Board of Directors recommends that you vote in favour of the above resolution.

Adoption of Shareholder Rights Plan

Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution approving the Rights Plan Agreement (“Rights Plan”). The text of the proposed resolution is as follows:

“Resolved that Company's Rights Plan as more particularly set out in the Information Circular of the Company dated April 23, 2008 for the Company's annual and special general meeting held June 4, 2008, be approved.”

A copy of the Rights Plan is filed on www.sedar.com, a copy of the Rights Plan will be available at the Meeting for review, and a copy may be obtained by contacting the Secretary of the Company at the above noted address and contact numbers.

The Board and Management recommend that shareholders vote FOR the approval of the Rights Plan.

Background

The Board proposed the adoption of the Rights Plan to protect the shareholders of the Company from unfair take-over strategies to which the Company and its shareholders may be vulnerable.

The Rights Plan was not proposed by the Board in response to, or in anticipation of, any acquisition proposal, and is not intended to prevent a Take-over bid being made for the Company or to secure continuance of management or the Directors in office. The Rights Plan is designed to ensure that, in the event of a take-over bid being made for Common Shares of the Company, all shareholders will receive full and fair value for their Shares and will not be subject to coercive takeover strategies and that the Board, on behalf of the Company and all of its shareholders, will have the time and opportunity to evaluate the bid and its effects, to seek out alternative bidders and to explore, develop and evaluate other ways of maximizing shareholder value.

Accordingly, the objectives of the Rights Plan are, (i) to provide each shareholder the opportunity to receive the same offer, (ii) to provide each shareholder, together with his or her advisor, sufficient time to assess and evaluate a Take-over bid and (iii) to permit the Board, where appropriate, to explore, develop and evaluate alternatives to maximize the value to shareholders. Under the Rights Plan, a bidder is encouraged either to make a Permitted Bid, which does not need approval of the Board, having terms and conditions that are designed to meet these objectives, or, to negotiate the terms of a bid with the Board.

The objectives of the Rights Plan and the terms of the Rights Plan have been developed to deal with the following specific concerns with the existing securities laws in Canada pertaining to take-over bids:

Time

Current Canadian securities legislation generally provides that take-over bids may be set to expire after 35 days. The Board is concerned that this period of time does not provide an opportunity (i) for the shareholders and the Board to properly assess the initiating bid, (ii) for the shareholders to assess the merits of competing bids, and (iii) for the Board to seek out or otherwise allow competing bidders to emerge or to develop other methods of maximizing shareholder value.

The Rights Plan, through the Permitted Bid concept, provides a mechanism whereby the minimum expiry period for a take-over bid will be 60 days from the time a take-over bid circular is mailed and provides that if the Permitted Bid is successful in having at least 50% of the outstanding Shares held by independent shareholders (such being generally the shareholders of the Company other than (i) the bidder and its Associates and Affiliates and other persons acting in concert with the bidder), tendered by such time, the Take-over bid will be extended for an additional 10 business days. These provisions will allow the shareholders who have not tendered and the Board additional time to consider the take-over bid and the various alternatives that may potentially be available.

Pressure to Tender

There is concern that a shareholder may feel compelled to tender to a bid which the shareholder considers to be inadequate and not represent full and fair value because, in failing to do so, the shareholder may be

left with minority discounted Shares in the Company. The requirements for a Permitted Bid in the Rights Plan include a mechanism which is intended to ensure that a shareholder who has not tendered to a Permitted Bid, may do so once it is known that the Permitted Bid has been successful. A Permitted Bid is required to contain a provision that Shares will not be taken-up and paid for under the take-over bid unless a majority of the outstanding Shares held by independent shareholders have tendered by the end of the Permitted Bid's minimum 60 day period, following which the take-over bid must be extended for a further 10 business days so as to allow those who did not tender at the first expiry time to nevertheless tender into the bid.

Unfair Treatment

The Board has adopted the Rights Plan in part because a bidder could attempt to obtain control of the Company without paying full value, without obtaining shareholder approval and without treating all shareholders equally. Canadian securities laws contain various exemptions which may allow for unequal treatment of shareholders in transactions involving an acquisition of effective control of a company. Under these laws it is possible, through the acquisition of shares in the open market or through private agreements involving a small number of shareholders, to acquire a large share position or even a control block in a Canadian public company without making an offer to all shareholders. Under these types of acquisitions, control of a company may be obtained without the acquirer being required to pay a "control premium" to all Shareholders of the Company.

Summary of Operation of the Rights Plan

The essence of the Rights Plan is that a share purchase right is attached to each share of every shareholder, enabling the shareholder to purchase one share for a stipulated exercise price. The Right has a special feature that adjusts the number of purchasable shares if an event, called a Flip in Event, occurs. The adjusted purchase right becomes a right to purchase, for the exercise price, twice the number of shares purchasable at the market price applicable to such shares on the relevant date.

The existence of the special adjustment feature is intended to encourage any person intending to acquire a position of 20% or more of the shares of the company, to do so by a permitted bid process or by negotiation with the Board and thereby avoid triggering the special adjustment feature.

As described in more detail below, if a person (an "Acquiring Person") acquires 20% or more of the Shares of the Company, other than by way of (i) a Permitted Bid, (ii) a Competing Bid, or (iii) a transaction otherwise approved by the Board, holders of rights other than the Acquiring Person may acquire for Cdn \$100, Common Shares of the Company having a market value of Cdn \$200. In such a case, the rights will cause substantial dilution to an Acquiring Person. This dilutive aspect of the Rights Plan is intended to discourage a potential acquirer from undertaking "creeping acquisitions" or buying a large block of shares from a select group of shareholders through "private agreement transactions".

The Rights Plan does not affect the duties imposed upon the Board at law to act honestly and in good faith and in the best interests of the Company and to consider any take-over bid in respect of the Company on that basis. In addition, the Rights Plan does not prevent a person from utilizing the proxy solicitation mechanism of the Business Corporations Act (British Columbia) to effect a change of the Board nor will it affect the rights of shareholders to requisition the Board to call a meeting of shareholders for the purposes stated in the requisition.

Issuance of the rights will not alter in any way the financial condition of the Company and will not interfere with the day-to-day operations of the Company or its business plans nor will it change the way in which shareholders currently trade Shares.

Description of the Rights Plan

The following description of the Rights Plan is a summary only. Reference is made to the Rights Plan for a full description of the terms of the Rights Plan.

Expiration

The Rights Plan will expire in any event as of the date of the Company's 2011 annual general meeting.

Issuance of Rights

Effective at 5:00 p.m. on May 1, 2008 (the "Effective Time") one Right was issued in respect of each outstanding Common share (each a "Share") of the Company and one Right will be issued in respect of each Share of the Company issued thereafter, prior to the earlier of the Separation Time (as defined in the Rights Plan) or the Expiration Time (as defined in the Rights Plan).

Trading of Rights

Certificates for Shares issued after the Effective Time will contain a notation incorporating the Rights Plan by reference. Until the Separation Time, or earlier termination or expiration of the rights, the rights will be evidenced by and transferred with the associated Shares and the surrender for transfer of any certificate representing Shares will also constitute the surrender for transfer of the rights associated with those Shares. After the Separation Time, the rights will become exercisable and begin to trade separately from the associated Shares. As soon as practicable following the Separation Time, separate certificates evidencing rights ("Rights Certificates") will be mailed to the holders of record of Shares as of the Separation Time and the Rights Certificates alone will evidence the rights. The rights will be listed in Canada on The Toronto Stock Exchange upon separation.

Separation Time

Under the rights Plan the Separation Time means the close of business on the 10th Trading Day after the earliest to occur of:

- a) the date of the first public announcement by the company, an officer or the Acquiring Person that an "Acquiring Person" has acquired Beneficial Ownership of 20% or more of the outstanding common shares of the Company ("Shares"), other than as a result of a Permitted Bid, or specified exempt acquisitions;
- b) the date of the first public announcement of an intention of any person to commence, a take-over bid which is not a Permitted Bid where the Shares subject to the bid, together with the Shares beneficially owned by that person (including affiliates, associates and joint actors) would constitute 20% or more of the outstanding Shares; and
- c) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be such,

unless the Separation time is extended by the Board pending the consent of an affirmative vote of the independent shareholders.

Under the Rights Plan, a take-over bid means an offer to acquire Shares where the Shares subject to the offer together with the number of Shares held by the person making the bid constitute in the aggregate 20% or more of the outstanding Shares of the Company.

Acquiring Person

An "Acquiring Person" is any person who is or becomes a Beneficial Owner of 20% or more of the Shares outstanding, subject to certain exceptions, including a person who is:

- the Company or a subsidiary of the Company;
- a person who becomes Beneficial Owner of 20% or more of the Shares then outstanding as a result of an Exempt Transaction, as defined in the Rights Plan, and which includes persons who become Beneficial Owners of 20% or more of the Shares then outstanding as a result of corporate acquisitions, corporate dispositions, or convertible security acquisitions;
- a Grandfathered Person, being a person who is the Beneficial Owner of 20% or more of the outstanding Shares of the Company on May 1, 2008, provided that if the Grandfathered Person acquires more than an additional 1% of the Shares of the Company other than pursuant to an Exempt Transaction, such person will become an Acquiring Person;
- an underwriter or member of a banking or selling group who acquires the Shares in connection with a distribution of securities of the Company.

The Company is not aware of any person who is a Grandfathered Person.

Exercise of Rights

Rights will not be exercisable until on or after the Separation Time. If, as at or after a Separation Time event, a person has become or could become an Acquiring Person, then a "Flip-in Event" is deemed to have occurred and the rights become adjusted to provide that if a Flip-In Event occurs, each Right will, unless the Flip-In Event is waived in accordance with the terms of the Rights Plan, entitle the registered holder to receive, upon payment of the Cdn \$100 exercise price, Common Shares of the Company having an aggregate market price equal to twice the exercise price. In such event, however, any rights beneficially owned by an Acquiring Person, (including affiliates, associates and joint actors), or the transferee of any such person, will be void. A Flip-In Event does not include acquisitions where the Flip-In Event is waived or acquisitions made pursuant to a Permitted Bid or Competing Permitted Bid.

Until a Right is exercised, the holder thereof, as such, will have no rights as a shareholder of the Company, including the right to vote or receive dividends.

Permitted Bids

The Rights Plan employs a "Permitted Bid" concept whereby a take-over bid will not trigger the Separation Time if it meets certain conditions. A "Permitted Bid" is defined as an offer to acquire Shares for cash or securities made by means of a take-over bid circular, where the Shares subject to the offer, together with shares beneficially owned by the offeror at the date of the offer (including its affiliates, associates and joint actors), constitute 20% or more of the outstanding Shares and that also complies with the following additional provisions:

- a) the bid must be made to all the holders of Shares; and
- b) the bid must contain the following irrevocable and unqualified conditions:

- (i) no Shares will be taken up or paid for prior to the close of business on the 60th day following the date the circular is sent to shareholders and then only if more than 50% of the then outstanding Shares held by independent shareholders have been tendered to the bid and not withdrawn;
- (ii) Shares may be deposited pursuant to the bid, unless it is withdrawn, at any time during the 60 day period described in §(b)(i);
- (iii) Shares deposited pursuant to the bid may be withdrawn until taken up or paid for; and
- (iv) if the deposit condition referred to in §(b)(i) is satisfied, the offeror will extend the expiration date for the bid for at least 10 business days from the date on which the offer would otherwise expire, thereby providing an opportunity for non tendering shareholders to tender to the bid.

Competing Permitted Bids

A "Competing Permitted Bid" is a take-over bid made after a Permitted Bid has been made and prior to its expiry that satisfies all of the provisions of a Permitted Bid, except that it must remain open for acceptance until at least the later of 21 days and the expiry of the outstanding Permitted Bid. The time for acceptance of a Competing Permitted Bid is intended to allow, as nearly as practicable, all bids to be dealt with by the shareholders of the Company within substantially the same time frame.

Beneficial Ownership

Under the definition of "Beneficial Ownership" in the Rights Plan, a person is deemed to own securities owned by the person's affiliates and associates and by any person acting jointly or in concert with such person. A person is also deemed to own securities which such person has a right to acquire within 60 days of the exercise of conversion rights or purchase rights. The Rights Plan contains certain exceptions which would permit investment managers and trust companies holding securities on behalf of clients, Crown agents, certain statutory bodies and pension plan administrators to hold more than 20% of the outstanding Shares of the Company in the ordinary course of their business without becoming an Acquiring Person, provided they do not actually make a take-over bid for such shares. In addition, the Rights Plan has an exemption from the deemed ownership of securities for those which are lodged under a Permitted Lock-up Agreement or in respect of securities which have been deposited or tendered pursuant to a tender or exchange offer or take-over bid unless such deposited or tendered shares have been accepted unconditionally for payment or exchange or have been taken up or paid for.

A "Permitted Lock-up Agreement" is an agreement whereby a person agrees to deposit or tender Shares held by the person to a take-over bid, but which permits the person to withdraw the Shares from the agreement in order to tender or deposit them to another take-over bid that contains an offering price or value per Share that is at least 5% in excess of the value per Share offered under the bid which is subject to the Lock-up Agreement.

Redemption of Rights and Waiver of a Flip-In Event

At any time prior to the occurrence of a Flip-In Event, the Board may, with the prior consent of the holders of Shares, authorize the redemption of all, but not less than all, of the then outstanding rights at a redemption price of Cdn \$0.00001 per Right, subject to adjustment. In addition, if an offeror acquires more than 50% of the Outstanding Shares not already Beneficially Owned by the offeror, pursuant to a

Permitted Bid, a Competing Permitted Bid or an exempt acquisition, the Board will be deemed to have elected to have the Company redeem the rights at the redemption price.

Prior to the occurrence of Flip In Event, the Board may, with the prior consent of the holders of Shares, waive the price adjustment triggered by a Flip In Event applicable to an acquisition of shares where no Take Over Bid is involved. Also, prior to the occurrence of a Flip-In Event, the Board may waive a Flip-In Event that occurs as a result of a take-over bid circular sent to all holders of Shares. In that event, the Board will be deemed to have waived any other Flip-In Event occurring by reason of any other take-over bid circular.

The Board may also waive the application of the Rights Plan to a Flip-In Event resulting from inadvertence where the Acquiring Person reduces its beneficial ownership of Shares to below 20%. Except as described above, the waiver of the application of the Rights Plan to a particular Flip-In Event requires shareholder approval.

Protection against Dilution

The exercise price, the number and nature of securities which may be purchased upon the exercise of rights and the number of rights outstanding, are subject to adjustment from time to time to prevent dilution as a result of stock dividends, subdivisions, consolidations, reclassifications or other changes in the outstanding Common Shares, pro rata distributions to holders of Common Shares and other circumstances where adjustments are required to appropriately protect the interests of the holders of rights.

Supplements and Amendments

The Board may, without the approval of the holders of Shares or rights, make any amendments to the Rights Plan to correct clerical or typographical errors, or which may be required to maintain the validity and effectiveness of the Rights Plan as a result of any change in any applicable laws or regulatory requirements. If these amendments occur before the Separation Time, they must be put before the shareholders for ratification at the next occurring meeting of shareholders and if the amendments occur after the Separation Time they must be put before the holders of rights for ratification at a meeting to be called in accordance with the Articles of the Company and the *Business Corporations Act* (British Columbia)

At any time before the Separation Time, the Company may, with the prior consent of the holders of Shares, amend, vary or rescind any of the provisions of the Rights Plan or the rights whether or not such action would materially adversely affect the interests of the holders of rights generally.

Canadian Income Tax Consequences

The Company will not receive any income as a result of the issuance of the rights for Canadian federal income tax purposes. Generally, the value of a right, if any, to acquire additional shares of a company is not a taxable benefit includable in income under the Income Tax Act (Canada) (the "Act"), and is not subject to non-resident withholding tax under the Act, provided that an identical right is conferred on all shareholders. While rights were issued in respect of each outstanding Share, the rights may become void in the hands of certain shareholders (an Acquiring Person, in the circumstances outlined under "Description of the Rights Plan" above) upon the occurrence of certain triggering events. Whether the issuance of the rights is a taxable event is therefore not free of doubt. However, the Company is of the view that the rights have a negligible monetary value at their date of issue and will continue to have a negligible monetary value. If the rights have a negligible monetary value, the issue of the rights will not

give rise to a measurable taxable benefit or capital gain and will not be subject to non-resident withholding tax. The foregoing does not address the Canadian income tax consequences of other events such as the separation of the rights from the Shares, the occurrence of a Flip-In Event or the exercise or redemption of rights. The holder of rights may well have significant income or be subject to withholding tax under the Act if the rights become exercisable or are exercised or otherwise disposed of. Such consequences under the Act are not further addressed in this summary, as the Company is of the view that the structure of the Rights Plan makes it unlikely that the rights would become exercisable or that the Separation Time will occur (although this result cannot be guaranteed).

As long as the Shares continue to be qualified investments for trusts governed by registered retirement savings plans, registered retirement investment funds and deferred profit sharing plans, the rights will continue to be qualified investments for such plans.

Shareholders should consult their own tax advisors regarding the consequences of receiving, holding, exercising or exchanging rights.

The Board of Directors recommends that you vote in favour of the above resolution.

ADDITIONAL INFORMATION

The audited financial statements of the Company for the six months ended December 31, 2007, report of the auditors and related management discussion and analysis thereof will be placed before the Meeting.

Additional information and documents relating to the Company may be obtained from www.sedar.com and upon request from the Company's Corporate Secretary at 250 – 1075 West Georgia Street, Vancouver, BC, V6E 3C9; telephone 604-689-9663 or fax: 604-434-1487.

ANY OTHER MATTERS

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

DATED at Vancouver, British Columbia, May 9, 2008.

BY ORDER OF THE BOARD

“Ian Terry Rozier”

Ian T. Rozier
President and Chief Executive Officer