

TYHEE DEVELOPMENT CORP.
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INFORMATION CIRCULAR
as at March 25, 2010 (*except as otherwise indicated*)

This Information Circular is furnished in connection with the solicitation of proxies by the management of Tyhee Development Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of its shareholders to be held on May 6, 2010 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “the Company”, “we” and “our” refer to **Tyhee Development Corp.** “Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold 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.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “Proxy”) are officers 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.**

The only methods by which you may appoint a person as proxy are by submitting a proxy by mail, hand delivery, fax or over the internet.

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the 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 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 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 who wish to submit a proxy may choose one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at (416) 264-9525, or by mail to the 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, or by hand delivery to the 2nd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9; or
- (b) use 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) use the internet through Computershare's website at www.computershare.com/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; and

in any case the Registered Shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The information in this section is of significant importance to shareholders who do not hold Shares in their own name. Beneficial Shareholders should note 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 Shares).

If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder's name on the records of the Company. Such Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such 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.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Meeting.

The form of proxy supplied to you 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 on 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 mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form 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 voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction

form. The completed voting instruction form 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 voting instruction form from Broadridge it must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to have your Shares voted as per your instructions.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the Voting Instruction Form provided to you and return it to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.

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

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

Notice to Shareholders in the United States

The solicitation of proxies and the transaction contemplated in this Information Circular involve securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for

violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "Board") of the Company has fixed March 25, 2010 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

The Shares of the Company are listed on the TSX Venture Exchange (the "TSXV"). The Company is authorized to issue an unlimited number of Shares. As of March 25, 2010, there were 221,992,158 Shares without par value issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Shares.

To the knowledge of the directors and executive officers of the Company, no person or Company beneficially owned, directly or indirectly, or exercised control or direction over Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company as at March 25, 2010.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein, except in the case of the special resolution which requires a favourable vote of two-thirds (2/3) majority of the votes cast on the resolution at the Meeting. 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 term of office of each of the current directors will end at the conclusion of the Meeting. The Board has determined that five directors will be elected to the Board at the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the British Columbia *Business Corporations Act* ("BCA"), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's five nominees for election as director, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment, the time since which each has been a director of the Company and the number of Shares of the Company beneficially owned by each director, either directly or indirectly, or over which each director exercised control or direction, as at March 25, 2010.

Name of Nominee, Current Position with the Company and Province and Country of Residence	Occupation, Business or Employment⁽¹⁾	Period as a Director of the Company	Shares Beneficially Owned or Controlled⁽¹⁾
David R. Webb, P.Geol. President, Chief Executive Officer and Director British Columbia, Canada	Chief Executive Officer and President of the Company; Professional Geologist (Northwest Territories); President, DRW Geological Consultants Ltd.; Vice-President Exploration, New Discovery Mines Ltd.	Since May 8, 1995	1,530,715 ⁽²⁾⁽³⁾
Roger G. Sylvestre, Dipl.T. Executive Vice-President and Director British Columbia, Canada	Executive Vice-President of the Company; Exploration Consultant; Director and President, Roger's Drilling Services Inc.	1994 to 1996 and since May 21, 1998	614,405
Dave Nickerson, P.Eng. Director Northwest Territories, Canada	Self-employed Professional Engineer.	Since May 16, 2002	174,000 ⁽³⁾
Denis M. Taschuk, CA Chairman of the Board and Director Alberta, Canada	President and Chief Executive Officer, JAG Flocomponents LP.	Since November 13, 2003	Nil
William D. Burton, P.Eng. Director British Columbia, Canada	Senior Vice-President, Engineering & Projects, Western Canadian Coal Corp.	Since May 6, 2004	400,000 ⁽³⁾

Notes:

- (1) The information as to principal occupation, business or employment and Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) 371,250 of these Shares are held in the name of DRW Geological Consultants Ltd., a company controlled by Mr. Webb.
- (3) Mr. Nickerson and Mr. Webb (through DRW Geological Consultants Ltd.) also hold warrants to purchase 25,000 Shares each and Mr. Burton holds warrants to purchase 100,000 Shares of the Company, at an exercise price of \$0.25 each, expiring July 15, 2011.

APPOINTMENT OF AUDITOR

Deloitte & Touche LLP, Chartered Accountants, Suite 2800, 1055 Dunsmuir Street, Vancouver, British Columbia, will be nominated at the Meeting for reappointment as auditor of the Company. Deloitte & Touche LLP were first appointed auditor of the Company on February 6, 2002.

AUDIT COMMITTEE

National Instrument 52-110 of the Canadian Securities Administrators ("NI52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, set forth as follows:

The Audit Committee's Charter

A copy of the audit committee charter is attached to the Company's information circular prepared for the 2005 annual and extraordinary general meeting held April 28, 2005 and filed on SEDAR March 29, 2005.

Composition of the Audit Committee

Members of the audit committee are: Denis M. Taschuk (Chair), William D. Burton and Dave Nickerson, all of whom are independent members of the audit committee. Each member of the audit committee is financially literate.

A member of the audit committee is *independent* if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgement.

A member of the audit committee is considered *financially literate* if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

Relevant Education and Experience

Denis M. Taschuk, Chartered Accountant, is the President and Chief Executive Officer of JAG flocomponents LP, a manufacturer of valves for the oil and gas industry. He was Chief Financial Officer and Vice-President of Finance and Administration for Cytovax Biotechnologies Inc. Prior to that, he was Manager of Canadian Tax for Echo Bay Mines Ltd. He has over 20 years experience in the mining industry particularly in the areas of corporate finance and tax.

Dave Nickerson, M.Sc., P.Eng., is a Professional Engineer and Geologist with extensive experience in the Northwest Territories ("NWT"). He is a former Chairman of the NWT Water Board, a former MLA for NWT, a former Minister of Health & Social Services and a former Member of Parliament.

William Burton, P.Eng., was General Manager for the Lupin Mine of Echo Bay Mines Ltd. ("Echo"). He held other senior executive positions with Echo and is currently Senior Vice-President, Engineering & Projects for Western Canadian Coal Corp.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Deloitte & Touche LLP.

Reliance on Certain Exemptions

The Company's auditor, Deloitte & Touche LLP, has not provided any material non-audited services.

Pre-Approval Policies and Procedures

The audit committee has adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by Deloitte & Touche LLP to the Company to ensure auditor independence. Fees incurred with Deloitte & Touche LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Nature of Services	Fees Paid to Auditor in Year Ended November 30, 2009	Fees Paid to Auditor in Year Ended November 30, 2008
Audit Fees ⁽¹⁾	\$41,883	\$34,568
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$ 5,500	\$12,500
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$47,383	\$47,068

Notes

(1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the

financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the Board, whose members are elected by and are accountable to the Company's shareholders. Corporate governance encourages establishing a reasonable degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Mandate of the Board of Directors

The Board has adopted formal corporate governance policies and procedures. These policies and procedures can be reviewed at the Company's website at www.tyhee.com.

Composition of the Board of Directors

TSX Venture Exchange Policies (the "Policies") require that a listed company's board of directors determine and disclose the status of each director as independent or not, based on each director's interest in, or other relationship with, the Company. A board of directors should also examine its size with a view to determining the impact of the number of directors upon the board's effectiveness.

Under the Policies, an "independent" director is one who "has no direct or indirect material relationship" with the Company. Generally speaking, a director is "independent" if he or she is free from any employment, business or other relationship which could, or could reasonably be expected to, materially interfere with the exercise of the director's independent judgement. A material relationship includes the situation where a person has been (or has a family member who has been) within the last three years, an employee or executive of the Company or who was employed by the Company's external auditor in that period. An individual who, or whose family member, is or has been within the last three years, an executive officer of an entity, if any of the Company's current executive officers, or served at the same time on that entity's compensation committee, is deemed to have had a material relationship. Any individual who (or whose family members or partners) received directly or indirectly, more than \$75,000 in the preceding 12 month period for consulting, advisory, accounting, legal or investment banking services from the Company (other than compensation for acting as a director or as a part time chairman or vice-chairman) is also deemed to have had a material relationship.

The Board is proposing five nominees for the office of director of whom three nominees can be considered "independent" directors. These are: Dave Nickerson, Denis M. Taschuk and William D. Burton who are considered independent by virtue of not being or having been, executive officers of the Company and not having received any compensation other than in their role as directors. The non-independent directors (and the reasons for that status) are David R. Webb (President and Chief Executive Officer) and Roger G. Sylvestre (Executive Vice-President). The independent directors meet quarterly as well as from time to time and otherwise communicate as they deem necessary. The Board believes that Messrs. Taschuk, Burton and Nickerson, as experienced directors, are sufficiently versed in the expectations of independent directors and fully capable of exercising independent judgement. Denis M.

Taschuk is Chairman of the Board and his responsibilities are to supervise management of the business and the affairs of the Company.

The attendance record of each director for all Board meetings held in person or by telephone conference during the fiscal year ended November 30, 2009 is as follows:

Name	Board Meetings Attended	% of Board Meetings Attended
David R. Webb	5	100%
Roger G. Sylvestre	4	80%
Dave Nickerson	5	100%
Denis M. Taschuk	5	100%
William D. Burton	4	80%

Additional resolutions were passed during the fiscal year ended November 30, 2009 by way of directors' resolutions consented to in writing.

Outside Directorships

The Board does not prohibit members from sitting on the boards of other organizations, providing it does not reduce the board member's effectiveness to the Company. The Board will take into consideration the nature of and time involved in a director's service to the Board in evaluating suitability of individual directors for nomination to the Board. Service on boards of directors or committees is conditional in compliance with the Company's conflict of interest policies. At the date hereof, Dave Nickerson is also on the Board of Canadian Zinc Corporation.

Orientation and Education

New directors are provided with an orientation by management designed to familiarize them with the Company's projects, strategic plans, significant financial, accounting and risk management issues, its compliance programs, code of business conduct and ethics, its principal officers, independent auditors and outside legal advisors. All directors, including new board members, conduct a site visit to the Company's principal project, the Yellowknife Gold Project, annually.

The Board has established a policy for bearing the cost of appropriate continuing director education as determined by the Board.

Ethical Business Conduct

The Board adopted a formal code of ethics (the "Code") which applies to all employees, officers and directors. The Code is designed to deter wrongdoing and promote (i) honest and ethical conduct, (ii) full, fair, accurate, timely and understandable disclosure; (iii) compliance with laws and regulations, (iv) prompt internal reporting of violations of the Code; and (v) accountability for adherence to the Code.

The Code provides guidance for avoiding questionable or illegal practices; fair dealing; dealing with corporate opportunities; avoiding conflicts of interest; accepting gifts; engaging in outside activities; accounting, record keeping and auditing matters; use of company property; ownership of proprietary information; receiving outside ideas or information; external communications; securities transactions (including blackout periods); administration of the Code, and whistle blowing.

Nomination of Directors

The Board has not established a nominating committee. The Board's process for nomination of candidates is an informal process involving the entire Board. Candidates are put forward to the Board by

sitting Board members, for consideration and, if determined acceptable, appointment to the Board for nomination at the next general meeting of the shareholders.

Committees of the Board of Directors

To date the Board has established an Audit Committee, a Compensation Committee and an Environment, Health and Safety Committee.

Audit Committee

The Board adopted an audit committee charter in accordance with National Instrument 52-110 *Audit Committees*, the Canadian regulatory policy respecting audit committees, to guide the Audit Committee in carrying out its audit and financial review functions. The text of the audit committee charter (excluding specified definitions of independence and financial literacy under stock exchange policies and securities law) was attached as a schedule to the Company's information circular dated March 2, 2005 in connection with the annual general meeting of shareholders held April 28, 2005, and is available on the Company's website. The audit committee reviews all financial statements of the Company prior to their publication, reviews audits or communications, recommends the appointment of independent auditors, reviews and approves the professional services to be rendered by them and reviews fees for audit services. The audit committee meets both separately with auditors (without management present) as well as with management present. The meetings with the auditors discuss the various aspects of the Company's financial presentation in the areas of audit risk and Canadian accepted accounting principles.

The Company's audit committee is currently composed of Denis M. Taschuk, Dave Nickerson and William D. Burton, all of whom are independent as defined in NI 52-110. All members of the audit committee are "financially literate" as defined in NI 52-110. The audit committee typically meets quarterly.

Compensation Committee

The compensation committee established by the Board is currently composed of Denis M. Taschuk (Chair) and William Burton, who are both independent directors of the Company.

The compensation committee's function and purpose is to review, on an annual basis, the performance of and compensation paid to the Company's executive officers and its directors, and to make recommendations on compensation to the Board. In addition, the compensation committee annually reviews the compensation plans for the Company's non-executive staff. The compensation committee is also responsible for assisting the Board in its administration of equity compensation paid under the Company's Incentive Stock Option Plan.

Environment, Health and Safety Committee

The environment, health and safety committee is comprised of William D. Burton (Chair), Dave Nickerson and Roger G. Sylvestre. The purpose of the environment, health and safety committee is to assist the Board in fulfilling its oversight responsibilities by assessing the effectiveness of safety and environment-related programs, initiatives and policies of the Company. The environment, health and safety committee is responsible for:

- (a) ongoing review of the Company's safety and environment-related policies and performance, including processes to ensure compliance with applicable laws and regulations;
- (b) reviewing and providing advice on current and emerging safety and environment-related issues;
- (c) reviewing the suitability and effectiveness of safety and environment management systems and environment sustainability certification programs to which the Company or any of its subsidiaries subscribes; and

- (d) reporting to the Board on safety and environment-related matters affecting the Company.

Board Decision Making

Governance policies require a listed company's board of directors, together with its chief executive officer, to develop position descriptions for the board and for the chief executive officer, including the definition of limits for operational management's authority. The Company has a non-delegation policy which establishes a single transaction threshold so that a transaction in excess of this threshold requires prior Board approval. Any responsibility, which is not delegated to senior management or to a committee of the Board remains with the full Board.

The Board generally requires that all material transactions receive Board review. In this regard, virtually all financing transactions are considered material to the Company. Any property acquisitions and significant exploration programs also are generally subject to approval of the plenary Board at its regular quarterly meetings.

Assessment of Board Performance

Good governance policies suggest that: (i) every board of directors of a listed company implement a process for assessing the effectiveness of the board of directors and the board committees, as well as the contribution of individual directors, (ii) every company provide an orientation and education program for new directors, and (iii) every board review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director. Annually, the Board Chairman reviews performance with individual Board members in connection with their nomination or re-election to the Board at the Company's annual general meeting.

COMPENSATION OF EXECUTIVE OFFICERS

Named Executive Officer

In this section "Named Executive Officer" ("NEO") means each Chief Executive Officer, each Chief Financial Officer and each of the three most highly compensated executive officers, other than each Chief Executive Officer and Chief Financial Officer, who were serving as executive officers at the end of the most recently completed fiscal year and whose total compensation was more than \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

David R. Webb, the Company's Chief Executive Officer, Lorne Anderson, the Company's Chief Financial Officer, Roger G. Sylvestre, Executive Vice-President of the Company, and Douglas B. Levesque, Vice-President Operations of Tyhee N.W.T. Corp., a subsidiary of the Company, are the "Named Executive Officers" of the Company for purposes of the following disclosure.

Compensation Discussion and Analysis

The Board's compensation committee takes the principal role in establishing the Company's executive compensation plans and policies. In establishing policies covering base salaries, benefits and bonuses, the compensation committee takes management's recommendations into consideration. The compensation committee has not formally engaged any outside agents to assist in establishing policies or performing any kind of benchmarking or market analysis.

Objectives of Executive Compensation

The compensation committee endeavors to ensure the Company's compensation policies:

- provide a competitive compensation package that will retain current and attract future candidates who are highly qualified and experienced executives and managers;

- the competitive salary is based on job requirements, background and level of responsibility;
- the Company rewards long-term service and employment through options and performance bonuses; and
- the Company recognizes and rewards contribution to the success of the Company on an ad-hoc basis.

When the compensation committee assessed NEO performance at year-end and determined the appropriate compensation for the senior executive group, it took into consideration each executive's level of position, responsibilities and qualifications, as well as the objectives of executive compensation related to an incentive bonus.

Our annual incentive bonus has, to date been based predominantly on long-term service and appreciation of the Company's stock value.

Structure of Executive Compensation

The Company's executive compensation plan covers the following areas:

- base salary
- incentive bonus
- equity participation

In assessing compensation, the compensation committee, which is 100% independent of management, relies on their own experience and knowledge to make reference to relevant industry norms, experience, past performance, internal equity, level of responsibility and corporate performance. In addition, the Chief Executive Officer provides input to the compensation committee with respect to the performance of each member of the senior management team and recommends salary adjustments. After considering the Chief Executive Officer's recommendations, the Board and its compensation committee together determine any salary adjustments, bonuses and share option grants.

Salary

Salaries are established at levels meant to be competitive with other companies in the mineral exploration industry and with companies of a similar size to the Company. Salaries are determined following an assessment of each executive officer's experience, past performance, level of responsibility and importance of the position to the Company, individual performance and performance of the Company relative to the industry. The compensation committee may make adjustments to salary levels, if warranted, after an evaluation of executive and Company performance, current salary, competitive positioning and any change in responsibilities assumed by the executive.

Salaries are reviewed annually around March or April of each year. The Chief Executive Officer makes recommendations concerning salary adjustments to the compensation committee for senior executives other than himself. The compensation committee determines the salary adjustment, if any, for the Chief Executive Officer and other senior executives taking into consideration past performance and also the long-term goals of the Company.

Bonus Incentive Compensation

The Company encourages senior management to focus on overall corporate performance and attainment of team goals. The Board considers executive bonus compensation by reviewing the performance of each member of senior management and that of their team and the results relative to set goals. The Board also considers the appreciation in value of the Company's assets in light of management performance and goals achieved. The Board approves executive bonus compensation dependent upon compensation levels recommended by the compensation committee. Such recommendations are generally based on a comparison of information provided by issuers that are similar in size and scope to the Company's

operations. Granting of bonuses also relies upon whether or not there are sufficient cash resources available for payment of such bonuses.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way to align their interests with those of the Company's shareholders. The Board believes that, considering the Company's stage of development to date, the grant of share options pursuant to the Company's Incentive Stock Option Plan is the most effective way to encourage management and employees to pursue strategies associated with maximizing shareholder value. Share options are granted to senior executives twice annually, taking into account a number of factors, including the amount and term of share options previously granted, salary, bonuses and competitive factors. Share options vest on terms established by the Board and its compensation committee. Twice annually, the compensation committee reviews the grants of share options to directors, management, employees and consultants.

Actions, Decisions or Policies Made After November 30, 2009

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

No actions, decisions or policies have been made since November 30, 2009 that would affect a reader's understanding of NEO compensation.

Option-Based Awards

The Company's Incentive Stock Option Plan (the "Option Plan"), which was originally approved by the directors on March 24, 2003 and by the shareholders on May 8, 2003, and approved for continuation at each subsequent annual general meeting, as amended April 27, 2007, until and including May 7, 2009, is the only equity compensation plan the Company has in place. The Option 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. Management proposes stock option grants to the Board on a percentage basis depending upon the individual executive's position and level of responsibility. The Board determines when options are granted and the compensation committee reviews input from executive officers, takes into account all previous option grants, and then decides how many options are granted and the exercise price.

All grants require approval of the Board and its compensation committee. The stock option plan is administered by the Board's compensation committee and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company.

Summary Compensation Table

The compensation paid to the NEOs during the Company's most recently completed financial year of November 30, 2009 is as set out in the table below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual incentive plans	Long-term incentive plans			
David R. Webb, P.Geol. ⁽¹⁾ , President and Chief Executive Officer	158,400	Nil	63,991	Nil	Nil	Nil	19,800	242,191
Lorne B. Anderson ⁽²⁾ Chief Financial Officer	121,440	Nil	56,293	Nil	Nil	Nil	15,200	192,933
Roger G. Sylvestre, Dipl.T. ⁽³⁾ Executive Vice-President	145,200	Nil	56,293	Nil	Nil	Nil	18,150	219,643
Douglas B. Levesque ⁽⁴⁾ Vice-President, Operations, Tyhee N.W.T. Corp. ⁽⁵⁾	146,400	Nil	28,020	Nil	Nil	Nil	30,496	204,916

Notes:

- (1) The Company paid \$158,400 plus GST of \$7,920 to DRW Geological Consultants Ltd. (“DRW”), a company of which David R. Webb is the President and a director and which is owned by a trust established for the members of Mr. Webb’s family. Under the Company’s November 1, 2006 agreement with DRW the Company pays DRW a monthly fee of \$13,200 per month plus GST for Mr. Webb’s services as President and Chief Executive Officer of the Company. Shown in the “All other compensation” column is \$19,800 paid as a bonus to Mr. Webb during the 2009 financial year.
- (2) The Company paid Mr. Anderson fees of \$121,440 plus GST of \$6,072 for financial and administrative services, based on services of approximately 90 hours per month. Under the Company’s November 1, 2006 agreement with Mr. Anderson, the Company pays a monthly fee of \$10,120 per month plus GST for his services. Shown in the “All other compensation” column is \$15,200 paid as a bonus to Mr. Anderson during the 2009 financial year.
- (3) The Company paid \$145,200 plus GST of \$7,260 to Roger’s Drilling Services Inc. (“RDS”), a company controlled by Roger G. Sylvestre. Under the Company’s November 1, 2006 agreement with RDS the Company pays RDS a monthly fee of \$12,100 per month plus GST for Mr. Sylvestre’s services as Executive Vice-President of the Company. Shown under “All other compensation” is a bonus of \$18,150 paid to Mr. Sylvestre during the 2009 financial year.
- (4) Mr. Levesque’s salary was \$12,200 per month totalling \$146,400. He was also paid an additional amount of \$12,196 as a vacation payout and a bonus of \$18,300 in the 2009 financial year.
- (5) Tyhee N.W.T. Corp. is a wholly-owned subsidiary.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The following table sets out all option-based awards and share-based awards outstanding as at November 30, 2009 for each NEO:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date (m – d – y)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David R. Webb, P.Geol., President and Chief Executive Officer	300,000	0.45	03 – 02 – 2010	Nil	Nil	Nil
	776,000	0.21	03 – 21 – 2011	7,760	Nil	Nil
	330,000	0.42	10 – 25 – 2011	Nil	Nil	Nil
	272,000	0.41	06 – 27 – 2012	Nil	Nil	Nil
	528,000	0.58	12 – 14 – 2012	Nil	Nil	Nil
	270,000	0.38	07 – 21 – 2013	Nil	Nil	Nil
	220,000	0.18	12 – 15 – 2013	8,800	Nil	Nil
	410,000	0.13	08 – 05 – 2014	36,900	Nil	Nil

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date (m - d - y)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Lorne B. Anderson Chief Financial Officer	100,000	0.33	05- 16 - 2010	Nil	Nil	Nil
	310,500	0.21	03 - 21 - 2011	3,105	Nil	Nil
	133,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	165,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	423,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	220,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	194,000	0.18	12 - 15 - 2013	7,760	Nil	Nil
	360,000	0.13	08 - 05 - 2014	32,400	Nil	Nil
Roger G. Sylvestre, Dipl.T. Executive Vice-President	275,000	0.45	03 - 02 - 2010	Nil	Nil	Nil
	698,500	0.21	03 - 21 - 2011	6,985	Nil	Nil
	300,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	245,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	458,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	237,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	194,000	0.18	12 - 15 - 2013	7,760	Nil	Nil
	360,000	0.13	08 - 05 - 2014	32,400	Nil	Nil
Douglas B. Levesque Vice-President, Operations, Tyhee N.W.T. Corp. ⁽²⁾	125,000	0.45	03 - 02 - 2010	Nil	Nil	Nil
	310,500	0.21	03 - 21 - 2011	3,105	Nil	Nil
	133,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	108,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	211,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	118,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	96,000	0.18	12 - 15 - 2013	3,840	Nil	Nil
	180,000	0.13	08 - 05 - 2014	16,200	Nil	Nil

Notes:

- (1) The Company's share price was \$0.22 each as at November 30, 2009.
- (2) Tyhee N.W.T. Corp. is a wholly-owned subsidiary.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the year ended November 30, 2009, for each NEO:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David R. Webb, P.Geol., President and Chief Executive Officer	Nil	Nil	Nil
Lorne B. Anderson Chief Financial Officer	Nil	Nil	Nil

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Roger G. Sylvestre, Dipl.T. Executive Vice-President	Nil	Nil	Nil
Douglas B. Levesque Vice-President, Operations, Tyhee N.W.T. Corp. ⁽¹⁾	Nil	Nil	Nil

Notes:

- (1) Tyhee N.W.T. Corp. is a wholly-owned subsidiary.

See “*Securities Authorized Under Equity Compensation Plans*” for further information on the Company’s Incentive Stock Option Plan.

Termination and Change of Control Benefits

Pursuant to a consulting agreement dated November 1, 2006 between the Company and DRW Geological Consultants Ltd. (“DRW”), a company of which David R. Webb is the President and director, the Company may terminate the consulting agreement on 18 months’ notice. In the event of a change of control of the Company, DRW shall have the right, for a period of six months following the change of control to terminate the agreement, in which case the Company shall pay DRW a sum equal to 18 months of the monthly fee payable at the date of termination under the consulting agreement, and all stock options held by DRW shall vest immediately and shall be exercisable for a period of twelve months from the date of termination.

Pursuant to a consulting agreement dated November 1, 2006 between the Company and Lorne B. Anderson, the Company may terminate the agreement on 18 months’ notice. In the event there is a change of control of the Company, Mr. Anderson shall have the right, for a period of six months following the change of control to terminate the agreement, in which case the Company shall pay Mr. Anderson a sum equal to 18 months of the monthly fee payable at the date of the termination under the consulting agreement, and all stock options held by Mr. Anderson shall vest immediately and shall be exercisable for a period of twelve months from the date of termination.

Pursuant to a consulting agreement dated November 1, 2006 between the Company and Rogers Drilling Services Inc. (“RDS”), a company controlled by Roger G. Sylvestre, the Company may terminate the consulting agreement on 18 months’ notice. In the event of a change of control of the Company, RDS shall have the right, for a period of six months following the change of control to terminate the agreement, in which case the Company shall pay RDS a sum equal to 18 months of the monthly fee payable at the date of termination under the consulting agreement, and all stock options held by RDS shall vest immediately and shall be exercisable for a period of twelve months from the date of termination.

The estimated incremental payments from the Company to each of Messrs. Webb, Sylvestre and Anderson on (i) termination without cause or (ii) termination without cause or resignation with cause within 12 months following a change of control, assuming the triggering event occurred on November 30, 2009, are as follows:

NEO		Termination Without Cause ⁽¹⁾	Change of Control ⁽²⁾
David R. Webb	Salary	237,600 ⁽¹⁾	\$237,600 ⁽³⁾
	Bonus	Nil	Nil
	Options	Nil	Nil ⁽²⁾
Roger G. Sylvestre	Salary	217,800 ⁽¹⁾	\$217,800 ⁽³⁾
	Bonus	Nil	Nil
	Options	Nil	Nil ⁽²⁾

NEO		Termination Without Cause ⁽¹⁾	Change of Control ⁽²⁾
Lorne B. Anderson	Salary	182,160 ⁽¹⁾	\$182,160 ⁽³⁾
	Bonus	Nil	Nil
	Options	Nil	Nil ⁽²⁾

Notes:

- (1) Termination without cause is upon 18 months' notice, or salary in lieu of notice.
- (2) Upon a change of control the NEO has the right to terminate the November 1, 2006 agreement between the Company and the NEO within six months of the date of change of control. If the NEO chooses to terminate the agreement, upon termination the Company must pay the NEO an amount equivalent to 18 months of the monthly fee due to the NEO under the agreement and all stock options shall vest immediately and be exercisable for a period of 12 months following the termination date.
- (3) Does not include 5% GST chargeable on fees.

Director Compensation

Independent directors are paid \$1,000 per month, plus \$500 per day when a director spends a substantial portion of any day on the Company's affairs. In addition, the Board Chairperson receives an additional \$2,500 and each of the Committee Chairpersons receives an additional \$2,500 per annum. Each Committee member, who is not a Chairperson receives an additional \$1,000 per year.

The compensation provided to the directors, excluding a director who is included in disclosure for a NEO, for the Company's most recently completed financial year of November 30, 2009 is:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Dave Nickerson	14,000	Nil	28,020	Nil	Nil	Nil	42,020
Denis M. Taschuk	18,250	Nil	40,388	Nil	Nil	Nil	58,638
William D. Burton	16,000	Nil	28,020	Nil	Nil	Nil	44,020

The following table sets out all option-based awards and share-based awards outstanding as at November 30, 2009, for each director, excluding a director who is already set out in disclosure for a NEO for the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date (m - d - y)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Dave Nickerson	125,000	0.45	03 - 02 - 2010	Nil	Nil	Nil
	133,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	108,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	211,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	118,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	96,000	0.18	12 - 15 - 2013	3,840	Nil	Nil
	180,000	0.13	08 - 05 - 2013	16,200	Nil	Nil

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price ⁽¹⁾ (\$)	Option expiration date (m - d - y)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Denis M. Taschuk	125,000	0.45	03 - 02 - 2010	Nil	Nil	Nil
	118,000	0.21	03 - 21 - 2011	1,180	Nil	Nil
	230,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	190,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	317,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	169,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	138,000	0.18	12 - 15 - 2013	5,520	Nil	Nil
	260,000	0.13	08 - 05 - 2013	23,400	Nil	Nil
William D. Burton	125,000	0.45	03 - 02 - 2010	Nil	Nil	Nil
	310,500	0.21	03 - 22 - 2011	3,105	Nil	Nil
	133,000	0.42	10 - 25 - 2011	Nil	Nil	Nil
	108,000	0.41	06 - 27 - 2012	Nil	Nil	Nil
	211,000	0.58	12 - 14 - 2012	Nil	Nil	Nil
	118,000	0.38	07 - 21 - 2013	Nil	Nil	Nil
	96,000	0.18	12 - 15 - 2013	3,840	Nil	Nil
	180,000	0.13	08 - 05 - 2014	16,200	Nil	Nil

Note:

- (1) The Company's share price was \$0.22 each as at November 30, 2009.

The following table sets out the value vested or earned under incentive plans during the year ended November 30, 2009, for each director, excluding a director who is already set out in disclosure for a NEO for the Company:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Dave Nickerson	Nil	Nil	Nil
Denis M. Taschuk	Nil	Nil	Nil
William D. Burton	Nil	Nil	Nil

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the share option plan (the “Plan”). See heading “Share Option Plan” under “Particulars of Matters to be Acted Upon”.

The following table sets out equity compensation plan information as at the end of the financial year ended November 30, 2009:

Equity Compensation Plan Information

	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))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders – the Plan.	18,158,000	0.34	1,519,216
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	18,158,000	\$0.34	1,519,216

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Company were indebted to the Company as of November 30, 2009 or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

This Information Circular, including the disclosure below, briefly describes (and, where practicable, states the approximate amount) of any material interest, direct or indirect, of any informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

The Company’s Chief Executive Officer, David R. Webb, held a sliding scale net smelter return royalty on minerals produced from the Yellowknife Gold Property pursuant to a Royalty Agreement dated January 19, 2001, as amended. Commencing as of April 2004, the holder of the Royalty Agreement was entitled to advance royalty payments of US\$20,000 per year. During the year ended November 30, 2008, Mr. Webb assigned his interest in the Royalty Agreement to a trust established for the benefit of his immediate family. During the year ended November 30, 2009, the Company paid CAD\$24,200 in advance royalty payments to the holder of the royalty.

On July 15, 2009, the TSXV approved and the Company closed a brokered private placement consisting of 4,416,000 Flow Through Shares at a price of \$0.125 per Flow Through Share, and 21,030,000 Units at \$0.10 per Unit for proceeds of \$2,655,000. Each Unit consists of one Share and one Share purchase warrant, exercisable to acquire an additional Share expiring on July 15, 2011 at a price of \$0.15 per Share. All securities issued in connection with the private placement were subject to a four-month hold period, expiring November 15, 2009. Mr. Nickerson and Mr Burton purchased 50,000 and 200,000 Units, respectively; David Webb (through DRW) purchased 50,000 Units and 36,000 Flow Through Shares and Mr. Anderson purchased 30,000 Units and 180,000 Flow Through Shares.

In addition to the foregoing, after the most recently completed financial year end, on November 30, 2009 the TSXV approved a Flow Through Share financing private placement announced on December 9, 2009. On December 11, 2009 the Company completed the first tranche of the financing for 7,500,000 Flow Through Shares at a price of \$0.20 per Flow Through Share raising proceeds of \$1.5 million. All Flow Through Shares issued pursuant to this first tranche of the private placement are subject to a four month hold period expiring April 12, 2010. The second tranche of this private placement closed December 18,

2009 for 5,982,000 Flow Through Shares at a price of \$0.20 each raising proceeds of \$1,196,400. All Flow Through Shares issued pursuant to this second tranche are subject to a four month hold period expiring April 19, 2010. In this second tranche, Mr. Nickerson purchased 10,000 Flow Through Shares, Mr. Webb purchased 75,000 Flow Through Shares, and Mr. Anderson purchased 100,000 Flow Through Shares. The third and final tranche of the private placement closed December 23, 2009 for 5,908,000 Flow Through Shares at a price of \$0.20 each raising proceeds of \$1,181,000. All Flow Through Shares issued pursuant to this third tranche are subject to a four month hold period expiring April 23, 2010. A total of 19,390,000 Shares were issued in the three closings of this private placement raising a total of \$3,877,400. The proceeds of this private placement will be used for exploration and development of the Company's properties.

Also subsequent to the Company's most recently completed financial year end of November 30, 2009, on February 25, 2010 the Company effected the surrender by certain holders of share purchase warrants issued during a previous placement, exercisable at \$0.15 each expiring July 15, 2011 for cancellation and payment of \$0.15 per Share for each new Unit subscribed to. Each Share issued pursuant to this cancellation and purchase is subject to a minimum four month hold period expiring June 26, 2010. Each unit issued consisted of one Share and one half a share purchase warrant. Each full warrant is exercisable prior to July 15, 2011 at \$0.25 each. Warrants presented for cancellation were in the money as of February 25, 2010 with the market closing price of the Company's Shares on February 24, 2010 being \$0.185 each. 4,830,000 warrants, exercisable at \$0.15 each were submitted for cancellation. A total of 4,830,000 Shares and 2,415,000 warrants, exercisable at \$0.25 each expiring July 15, 2011 were issued. The proceeds of this private placement will be used for development of the Company's properties and general corporate purposes. Mr. Nickerson participated in this private placement purchasing 50,000 Units, Mr. Burton purchase 200,000 Units, David Webb (through DRW) purchased 50,000 Units and Mr. Anderson purchased 30,000 Units.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or senior officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Share Option Plan

TSXV Policies require all listed companies to have a share option plan if the listed company intends to grant options. Continuation of the Company's Option Plan as amended April 27, 2007 (the "Option Plan") was approved by shareholders on May 7, 2009. The Option 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 Option Plan is administered by the Board and provides that options will be issued to directors, officers, employees or consultants of the Company or a subsidiary of the Company. The Option Plan is a "rolling plan," which means a maximum of 10% of the total number of issued and outstanding Shares from time to time are issuable under the Option Plan, and together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding Shares from time to time. The Plan provides that the maximum number of Shares that may be issued to any one insider and such insider's associates under the Plan within a one year period shall be 5% of the Shares outstanding at the time of the issuance, excluding Shares issued to such insider under the Plan or any other share compensation arrangement over the preceding one year period. Subject to a minimum price of \$0.10 per Share, the option price shall not be less than the market price, less the discount to the market price permitted by the stock exchange on which the Company is then listed. Currently, all options granted under the Option Plan must expire on a date not later than five years after the date of grant of such option.

Under TSXV policies, listed companies with stock option plans reserving a percentage of the issued and outstanding voting securities in the capital stock of the listed company from time to time for the issuance of options pursuant to the listed company's stock option plan, must have that plan approved at each annual general meeting of the shareholders. Therefore, at the Meeting, shareholders will be asked to vote on the following ordinary resolution, with or without variation:

“Resolved that the Company's incentive stock option plan dated April 27, 2007, be ratified and approved.”

A copy of the Option Plan will be available for inspection at the Meeting. A shareholder may also obtain a copy of the Option Plan by contacting the Company at 604-681-2877.

An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.

The Board recommends shareholders vote in favour of ratification and approval of the Plan.

B. Amendment to Articles

General

At the Meeting, Shareholders will be asked to approve certain amendments to the Company's current Articles. The amendments are considered necessary to ensure that the Company's corporate charter facilitates the use of uncertificated shares and electronic record keeping systems currently in use worldwide and which are being increasingly adopted in Canada.

The proposed amendments to the Company's current Articles are necessary as a result of amendments to the British Columbia *Business Corporations Act* (the “BCA”) which permit the use of electronic record-keeping and uncertificated securities. With the amendments to the BCA and as a result, the Company wishes to amend sections 2.3, 2.4, 2.6, 5.1, 5.2 and 5.4 of its Articles. The amendments are intended to modernize the Company's corporate charter to more readily permit the use of uncertificated shares and electronic trading.

The material concerns arising from the amendments to the BCA and which are reflected in the proposed amendments to the Articles include the following:

1. If the shares of which a shareholder is the registered owner are not uncertificated shares, such shareholders will be entitled either to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name; or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate. Shareholders holding uncertificated shares will receive written notice of any issue or transfer of those shares.
2. Currently, the Articles provide that for a share transfer to be effective the Company must receive a “duly signed instrument of transfer”. In electronic delivery, in certain circumstances where transfers are effected by brokers on behalf of their clients, a signed instrument of transfer is not provided to the Company. The amendments permit the transfer of shares to occur upon receipt by the Company or its transfer agent of a written instrument of transfer.
3. Currently, the Articles provide that the instrument of transfer must be in the form approved by the directors. The amendments make the acceptance of the form of instrument of transfer by providing that the instrument of transfer be in a form either approved by the directors or by the transfer agent and registrar of the Company.

A complete copy of the proposed amended Articles, incorporating all deletions and additions, will be available for review at the Meeting. The Articles in their proposed amended form are also available upon request from the Company at (604) 681-2877.

Shareholder Approval of the Amendments to the Articles

At the Meeting, or any adjournment thereof, Shareholders will be asked to consider and, if thought fit, pass, with or without variation, the special resolution approving amendment to the Company's current Articles as set forth in Schedule "A" to this Information Circular.

A special resolution is a resolution passed by a majority of not less than two-thirds (2/3) of the votes cast by the shareholders who voted in respect of that resolution either in person or by proxy.

The Board of Directors recommends that shareholders vote in favour of the special resolution. In the absence of a contrary instruction, the persons named in the enclosed form of proxy intend to vote in favour of the special resolution. The above special resolution, if passed, will become effective immediately upon the filing of the amended Articles together with the signed Minutes approving the Articles as amended being filed in the Company's corporate records book.

ADDITIONAL INFORMATION

Additional information relating to the Company is included in the Company's Annual Report. Copies of the Company's audited financial statements for the years ended November 30, 2009 and November 30, 2008, the report of the auditor and the related management's discussion and analysis, and the Company's most current interim financial statements and related management discussion and analysis, as well as additional information, may be obtained from www.Sedar.com and upon request from the Company at telephone number: (604) 681-2877 or fax number: (604) 681-2879 free of charge to any shareholder of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

DATED at Vancouver, British Columbia, April 6, 2009.

BY ORDER OF THE BOARD OF DIRECTORS

"Dave R. Webb"

David R. Webb
President and Chief Executive Officer

SCHEDULE “A”

SPECIAL RESOLUTION APPROVING AMENDMENTS TO THE ARTICLES OF TYHEE DEVELOPMENT CORP.

At the Meeting, or any adjournment thereof, Shareholders will be asked to consider and, if thought fit, pass, with or without variation, the following special resolution approving amendment to the Company’s current Articles:

“**Resolved** that, pursuant to section 259(6) of the *Business Corporations Act* (British Columbia), the following amendments to the Company’s Articles be authorized. Amendments are shown as underlined:

1. **Article 2, Shares and Share Certificates**

- (a) amend clause 2.3 to read as follows:

“Shareholder Entitled to Certificate, Acknowledgment or Written Notice

2.3 Unless the shares of which the shareholder is the registered owner are uncertificated shares, each shareholder is entitled on request, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder’s name or (b) a non-transferable written acknowledgment of the shareholder’s right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or acknowledgment for a share to one of several joint shareholders or to one of the shareholders’ duly authorized agents will be sufficient delivery to all. The Company must send to a holder of an uncertificated share a written notice containing the information required by the Act within a reasonable time after the issue or transfer of such share.”

- (b) amend clause 2.4 to read as follows:

“Delivery by Mail

2.4 Any share certificate or non-transferable written acknowledgment of a shareholder’s right to obtain a share certificate, or written notice of the issue or transfer of an uncertificated share may be sent to the shareholder by mail at the shareholder’s registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate, acknowledgement or written notice is lost in the mail or stolen.”

- (c) amend clause 2.6 to read as follows:

“Replacement of Lost, Stolen or Destroyed Certificate or Acknowledgment

2.6 If a share certificate or a non-transferable written acknowledgment of a shareholder’s right to obtain a share certificate is lost, stolen or destroyed, the Company must issue a replacement share certificate or acknowledgment, as the case may be, to the person entitled to that share certificate or acknowledgment, if the requirements of the Act are satisfied and it receives:

- (a) proof satisfactory to it of the loss, theft or destruction; and
- (b) any indemnity the directors consider adequate.”

2. **Article 5, Share Transfers**

- (a) amend clause 5.1 (a) to read as follows:

“(a) except as exempted by the Act, a written instrument of transfer in respect of the share (which may be a separate document or endorsed on the share certificate for the shares transferred) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;”

- (b) amend clause 5.1 (d) to read:

“(d) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor’s right to transfer the share, that the written instrument of transfer is genuine and the right of the transferee to have the transfer registered.

- (c) amend clause 5.2 to read as follows:

“Form of Instrument of Transfer

5.2 The instrument of transfer in respect of any share must be either in the form, if any, on the back of the Company’s share certificates of that class or series or in some other form that may be approved by the directors or by the transfer agent or registrar for those shares.”

- (d) amend clause 5.4 to read as follows:

“Signing of Instrument of Transfer

5.4 If a shareholder, or his or her duly authorized attorney, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified, all the shares represented by the share certificates or set out in the written acknowledgments deposited with the instrument of transfer, or if the shares are uncertificated shares, then all of the shares registered in the name of the shareholder on the central securities register:

- (a) in the name of the person named as transferee in that instrument of transfer; or
- (b) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.”

3. Any director or officer of the Company be authorized to execute and deliver under the seal of the Company or otherwise all such documents and to do all such other acts or things as such director or officer may determine necessary or advisable in connection with such amendments to the Company’s Articles, the execution of any such document or the doing of any such other act or thing by any director or officer of the Company being conclusive evidence of such determination.”