

**AVANTI MINING INC.  
5251 DTC Parkway, Suite 405  
Greenwood Village, CO 80111  
Telephone: (303) 565-5491**

**INFORMATION CIRCULAR AS AT AUGUST 21, 2008**

**PERSONS MAKING THE SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by management of Avanti Mining Inc. ("the Company") for use at the Annual General Meeting of shareholders of the Company to be held on September 25, 2008 (the "Meeting") and any adjournment thereof, for the purposes set forth in the attached Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as of August 21, 2008.

All costs of this solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and employees may solicit proxies personally, by telephone, facsimile or email, but will not receive compensation for so doing.

**APPOINTMENT OF PROXYHOLDER**

The persons named as proxyholder in the accompanying form of proxy were designated by the management of the Company ("Management Proxyholder"). **A shareholder desiring to appoint some other person ("Alternate Proxyholder") to represent him at the Meeting may do so by inserting such other person's name in the space indicated or by completing another proper form of proxy.** A person appointed as proxyholder need not be a shareholder of the Company. All completed proxy forms must be deposited with Pacific Corporate Trust Company of 2<sup>nd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9, not less than forty-eight (48) hours, excluding Saturdays, Sundays, and holidays, before the time of the Meeting or any adjournment of it unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

**REVOCAION OF PROXY**

Every proxy may be revoked by an instrument in writing:

- (a) executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney, of the corporation; and
- (b) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the meeting or any adjournment of it, at which the proxy is to be used, or to the chairman of the meeting on the day of the meeting or any adjournment thereof,

or in any other manner provided by law.

**Only registered shareholders have the right to revoke a Proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf.**

**EXERCISE OF DISCRETION BY PROXYHOLDER**

The proxyholder will vote for or against or withhold from voting the shares, as directed by a shareholder on the proxy, on any ballot that may be called for. **In the absence of any such direction, the Management Proxyholder will vote in favour of matters described in the proxy. In the absence of any direction as to how to vote the shares, an Alternate Proxyholder has discretion to vote them as he or she chooses.**

**The enclosed form of proxy confers discretionary authority upon the proxyholder with respect to amendments or variations to matters identified in the attached Notice of Meeting and other matters which may properly come before the Meeting.** At present, Management of the Company knows of no such amendments, variations or other matters.

## NON-REGISTERED HOLDERS

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares.** More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “Non-Registered Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as Non-Objecting Beneficial Owners (“NOBO’s”). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as Objecting Beneficial Owners (“OBO’s”).

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the “Meeting Materials”) directly to the NOBO’s , and indirectly through Intermediaries to the OBO’s.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them.

Meeting Materials sent to Beneficial Owners who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions, Voting Instruction Form (“VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Shareholder. VIF’s, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. **Non-Registered Holders receiving a VIF cannot use that form to vote common shares directly at the Meeting. Non-Registered Holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the Non-Registered holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder or his/her nominee the right to attend and vote at the Meeting.

## INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and the appointment of auditors. For the purpose of this paragraph, “Person” shall include each person: (a) who has been a director or executive officer of the Company at any time during the most recently completed financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On August 21, 2008 (the “Record Date”) there were 81,588,691 common shares issued and outstanding, each share carrying the right to one vote. Only shareholders of record at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or any adjournment thereof.

To the knowledge of the Directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

## ELECTION OF DIRECTORS

Management proposes to fix the number of Directors of the Company at four (4) and to nominate the persons listed below for election as Directors. Each Director will hold office until the next Annual General Meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the proxy as nominee to vote the shares represented by proxy for the election of any other person or persons as directors.

The following table sets out the names of the Management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been Directors of the Company; and the number of shares of the Company which each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position with the Company	Director Since	# of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>	Principal Occupation <sup>(1)</sup>
Craig J. Nelsen Centennial, Colorado, USA President, CEO and Director	May 30, 2007	<b>5,458,350</b>	Chairman and a Director of Newgold Inc. (since July 2008). Formerly Chairman and a Director of Metallica Resources Inc. which merged with Newgold (1994-2008). Formerly Executive Vice-President, Exploration for Gold Fields Limited (from 1999 to June 2007)
Robert Cross <sup>[2] [3] [4]</sup> West Vancouver, BC Director	May 30, 2007	<b>2,050,000</b>	Founder, Chairman and a Director of Bankers Petroleum Ltd. (since 2004) and Chairman and a Director of B2Gold Corp. (since 2007)
Peter D. Barnes <sup>[2] [3] [4]</sup> North Vancouver, BC Director	June 20, 2007	<b>800,000</b>	President and Chief Executive Officer of Silver Wheaton Corp. (since April 2006) and formerly Executive Vice-President and Chief Financial Officer of Silver Wheaton Corp. (from 2004 to 2006). Previously Executive Vice-President and Chief Financial Officer of Goldcorp Inc. (from 2005 to 2006) and Chief Financial Officer of Wheaton River Minerals Inc., which merged with Goldcorp Inc. (from 2003 to 2005)
David Cohen <sup>[2] [3] [4]</sup> Vancouver, BC Director	June 19, 2008	Nil	Chairman and CEO of Gold Wheaton Corp (since June 2008); Co-founder and Chairman of Eastern Platinum Ltd. (since April 2005). Previously President and CEO of Northern Orion Resources Inc.

- (1) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least five years.
- (2) Member of Audit Committee.
- (3) Member of the Corporate Governance and Nominating Committee.
- (4) Member of the Compensation Committee.

Other than as disclosed below, no proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity:

- (a) was the subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or an order that denied the relevant company access to any exemption under securities legislation, for more than 30 consecutive days.

Other than as disclosed below, no proposed director of the Company is, or within the 10 years prior to the date of this Information Circular, has been, a director or executive officer of any company that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has individually, within the 10 years prior to this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

Robert Cross joined the board of Livent Inc. (“Livent”) in June 1998 in connection with management changes brought about by a U.S. based investment group. Accounting irregularities were subsequently uncovered, a cease trade order was issued by regulators in August 1998, and Livent declared bankruptcy in late 1998. Thereafter, a class action suit was filed against Livent and its directors. Mr. Cross was named in one suit which was subsequently dismissed and is currently not involved in any legal actions in connection with these proceedings.

## **EXECUTIVE COMPENSATION**

Set out below are particulars of compensation paid to the following persons (the “Named Executive Officers” or “NEO’s”):

- (a) the Company’s chief executive officer (“CEO”);
- (b) the Company’s chief financial officer (“CFO”);
- (c) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and
- (d) any additional individuals for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

As at January 31, 2008, the end of the most recently completed financial year of the Company, the Company had four Named Executive Officers, whose names and positions held within the Company are set out in the summary compensation table below.

### **Summary Compensation Table**

The following table is a summary of compensation paid to the Named Executive Officers for the most recently completed financial year:

NEO Name and Principal Position	Year End <sup>(1)(2)</sup>	Annual Compensation			Long Term Compensation			All other Compensation (\$)
		Salary (\$US)	Bonus (\$US)	Other Annual Compensation	Awards	Payouts		
					Securities Under Options/SARs Granted (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Craig J. Nelsen Chief Executive Officer	January 31, 2008	\$233,333	Nil	Nil	3,700,000	Nil	Nil	Nil
Amjad J. Ali Chief Financial Officer	January 31, 2008	\$175,000	Nil	Nil	1,700,000	Nil	Nil	Nil
Cheryl A. Martin Corporate Secretary Sr. V.P. Investor Relations	January 31, 2008	\$12,500	Nil	Nil	100,000	Nil	Nil	Nil
Robert G. Blair Vice President – Exploration	January 31, 2008	\$12,500	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Craig J. Nelsen and Amjad J. Ali, were first appointed to their respective positions on May 30, 2007.
- (2) Cheryl A. Martin and Robert G. Blair were first appointed to their respective positions on January 1, 2008.

#### Long-Term Incentive Plans

The Company has no Long-Term Incentive Plan in place and therefore there were no awards made under any long-term incentive plan to the Named Executive Officers during the most recently completed financial year. A “Long-Term Incentive Plan” is a plan providing compensation intended to motivate performance over a period of greater than one financial year, other than a plan for options, SAR’s (stock appreciation rights) or compensation through shares or units that are subject to restrictions on resale.

#### Option/SAR Grants

The following table sets forth information regarding individual grants of options to purchase or acquire securities of the Company or any of its subsidiaries made during the most recently completed financial year to each Named Executive Officer:

<b>Name</b>	<b>Securities, Under Options Granted (#)<sup>(1)</sup></b>	<b>Percent of Total Options Granted to Employees in Financial Year</b>	<b>Exercise or Base Price (\$/Security)<sup>(2)</sup></b>	<b>Market Value of Securities Underlying Options on the Date of Grant (\$/Security)</b>	<b>Expiration Date</b>
Craig J. Nelsen	3,500,000 200,000	54.18% 3.10%	\$0.10 \$0.52	\$35,000 \$104,000	8/20/2012 <sup>(3)</sup> 12/13/2012 <sup>(4)</sup>
Amjad J. Ali	1,500,000 200,000	23.22% 3.10%	\$0.10 \$0.52	\$15,000 \$104,000	8/20/2012 <sup>(3)</sup> 12/13/2012 <sup>(4)</sup>
Cheryl A. Martin	100,000	1.55%	\$0.52	\$52,000	12/13/2012 <sup>(4)</sup>

Notes:

- (1) The class of securities underlying all stock options is common shares
- (2) The exercise price of options is determined based on the closing price of the shares on the Canadian Trading and Quotation System Inc. (the "CNQ") on the last trading day prior to the date of grant in accordance with the terms of the Plan.
- (3) These options vest as follows: ¼ of the options vest on the Listing Date (August 20, 2007), and ¼ of the options vest every six months from the Listing Date thereafter.
- (4) These options vest as follows: 1/3 of the options vest on the date of grant (December 13, 2007); 1/3 of the options vest on the first anniversary of the date of grant; and 1/3 of the options vest on the second anniversary of the date of grant

**Aggregated Option/SAR Exercises During The Most Recently Completed Financial Year  
and Financial Year-End Option/SAR Values**

The following table sets forth information regarding each exercise of options to purchase or acquire securities made during the most recently completed financial year by each Named Executive Officer and the financial year-end value of unexercised options, on an aggregated basis:

<b>Name</b>	<b>Securities Acquired on Exercise (#)</b>	<b>Aggregate Value Realized (\$)</b>	<b>Unexercised Options at FY-End (#) Exercisable/ Unexercisable</b>	<b>Value of Unexercised in-the-Money Options at FY-End (CDN\$) Exercisable/ Unexercisable<sup>(1)</sup></b>
Craig J. Nelsen	--	--	3,700,000	\$1,887,000
Amjad J. Ali	--	--	1,700,000	\$ 867,000
Cheryl A. Martin	--	--	100,000	\$ 51,000

Notes:

- (1) Based on a closing price of \$0.51 on January 31, 2008.

**Termination of Employment, Change in Responsibilities and Employment Contracts**

Other than as disclosed below, there is no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 from the Company, including periodic payments or installments, in the event of the resignation, retirement or other termination of employment, a change of control of the Company or a change in the Named Executive Officer's responsibilities following a change in control.

The Company entered into an executive employment agreement dated May 30, 2007 with Craig J. Nelsen (“Nelsen”) commencing July 1, 2007 (the “Nelsen Agreement”), pursuant to which Nelsen agreed to act as Chief Executive Officer of the Company. Nelsen performs those services normally or usually associated with the position of Chief Executive Officer. Pursuant to the terms of the Nelsen Agreement, the Company pays Nelsen an annual salary of US\$400,000. The Company anticipates creating a bonus plan to pay annual bonuses to Nelsen based upon the assessment of its financial circumstances and Nelsen’s performance with respect to his ability to raise financing for the Company, stock performance, market capitalization, peer group compensation comparisons and Nelsen’s success in building the resource and asset base of the Company. The target bonus that may be paid to Nelsen would be up to 100% of his then in effect annual salary. The Company does not currently have a bonus plan in place. The Company granted to Nelsen options to purchase up to 3,500,000 common shares, exercisable at \$0.10 per share until August 20, 2012 and agreed to grant Nelsen additional options to purchase up to 1,500,000 Common Shares of the Company, upon sufficient options becoming available under its 2007 Stock Option Plan. The Nelsen Agreement also provides for employee benefits for Nelsen including: medical, dental, long term disability coverage, life insurance and four weeks annual vacation. The Nelsen Agreement is for an indefinite term but may be terminated, without cause, by the Company: (i) providing, at Nelsen’s option, either 12 months notice (the “Notice Period”) of termination or a lump sum payment equal to the Nelsen’s annual salary plus the prior year’s bonus or target bonus for the year; (ii) upon termination pursuant to a control change, paying a lump sum equal to three times Nelsen’s annual salary plus the prior year’s bonus or target bonus for the year, within 90 days of the control change (“Change of Control Notice Period”); and (iii) continuing Nelsen’s stock option and employee benefits until the earlier of, the expiration of the Notice Period, Change of Control Notice period or the death of Nelsen. The Nelsen Agreement may be terminated by Nelsen, by Nelsen providing a minimum of 1 month and a maximum of three month’s prior written notice, whereby Nelsen will be entitled to exercise all of his vested stock options on the last full business day prior to the expiry of his written notice (the “Option Vesting Date”). Upon receipt of written notice of Nelsen’s resignation, the Company may, at its option, terminate the employment of Nelsen at an earlier date, in which case: (i) Nelsen will be entitled to exercise all of his stock options vested on the Option Vesting Date; and (ii) the Company will pay Nelsen an amount equal to the salary payable from the date of termination by the Company until the earlier of the date of resignation selected by Nelsen and 3 months from the date Nelsen gave his notice of resignation. If the Nelsen Agreement is terminated for any reason other than just cause, Nelsen’s stock options will be deemed to be fully vested and immediately exercisable on the first to occur of: (i) a control change that results from a takeover bid; (ii) a control change that results from some other transaction; and (iii) the death or disability of Nelsen.

The Company entered into an executive employment agreement dated May 30, 2007 with Amjad J. Ali (“Ali”) commencing July 1, 2007 (the “Ali Agreement”), pursuant to which Ali agreed to act as Chief Financial Officer of the Company. Ali performs those services normally or usually associated with the position of Chief Financial Officer. Pursuant to the terms of the Ali Agreement, the Company pays Ali an annual salary of US\$300,000. The salary is based on full-time employment and it is understood that for an initial period, to be determined by Ali in consultation with the Company’s board of directors, Ali will be able to devote only 70% of his available working time to the Company during which period his annual salary will be US\$210,000. The Company anticipates creating a bonus plan to pay annual bonuses to Ali based upon the assessment of its financial circumstances and Ali’s performance with respect to his ability to raise financing for the Company, stock performance, market capitalization, peer group compensation comparisons and Ali’s success in building the resource and asset base of the Company. The target bonus that may be paid to Ali would be up to 100% of his then in effect annual salary. The Company does not currently have a bonus plan in place. The Company has granted to Ali options to purchase up to 1,500,000 common shares, exercisable at \$0.10 per share until August 20, 2012 and agreed to grant Ali additional options to purchase up to 1,000,000 Common Shares of the Company, upon sufficient options becoming available under its 2007 Stock Option Plan. In addition, the Company has agreed that Ali will be entitled to subscribe for up to \$500,000 of securities in the Company’s first equity financing, following this Offering. The Ali Agreement also provides for employee benefits for Ali including: medical, dental, long term disability coverage, life insurance and four weeks annual vacation. The Ali Agreement is for an indefinite term but may be terminated, without cause, by the Company: (i) providing, at Ali’s option, either 12 months notice (the “Notice Period”) of termination or a lump sum payment equal to the Ali’s annual salary plus the prior year’s bonus or target bonus for the year; (ii) upon termination pursuant to a control change, paying a lump sum equal to 2 times Ali’s annual salary plus the prior year’s bonus or target bonus for the year, within 90 days of the control change (“Change of Control Notice Period”); and (iii) continuing Ali’s stock option and employee benefits until the earlier of, the expiration of the Notice Period, Change of Control Notice period or the death of Ali. The Ali Agreement may be terminated by Ali, by Ali providing a minimum of 1 month and a maximum of 3 month’s prior written notice, whereby Ali will be entitled to exercise all of his vested stock options on the last full business day prior to the expiry of his written notice (the “Option Vesting Date”). Upon receipt of written notice of Ali’s resignation, the Company may, at its option, terminate the employment of Ali at an earlier date, in which case: (i) Ali will be entitled to exercise all of his stock options

vested on the Option Vesting Date; and (ii) the Company will pay Ali an amount equal to the salary payable from the date of termination by the Company until the earlier of the date of resignation selected by Ali and 3 months from the date Ali gave his notice of resignation. If the Ali Agreement is terminated for any reason other than just cause, Ali's stock options will be deemed to be fully vested and immediately exercisable on the first to occur of: (i) a control change that results from a takeover bid; (ii) a control change that results from some other transaction; and (iii) the death or disability of Ali.

### STATEMENT OF CORPORATE GOVERNANCE PRACTICE

The Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 (the "Disclosure"). The Disclosure addresses matters relating to constitution and independence of directors, the functions to be performed by the directors of a company and their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices specified by the Canadian securities regulators. The Company's approach to corporate governance in the context of the specific Disclosure issues outlined in Form 58-101F2 is set out in the attached Schedule "A".

### COMPENSATION OF DIRECTORS

Compensation for the Named Executive Officer has already been disclosed above. No cash compensation was paid to any director of the Company for the director's services as a director during the most recently completed financial year, other than the reimbursement of out-of-pocket expenses.

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors except for the granting from time to time of incentive stock options in accordance with the policies of the CNQ. During the most recently completed financial year, the Company granted incentive stock options to purchase 450,000 shares to the three independent directors.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information subsequent to the end of the Company's most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(b)</b>	<b>Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a))</b> <b>(c)</b>
Equity compensation plans approved by securityholders (Stock Option Plan)	6,460,000	\$0.19	169,102
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	6,460,000	\$0.19	169,102

Notes:

- (1) The Company has a rolling stock option plan that sets the number of securities available for issuance under the plan at 10% of the outstanding securities of the Company.

## MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiary are not performed by anyone other than directors or Named Executive Officers of the Company.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Directors, executive officers, employees, proposed nominees for election as directors or their associates has been indebted to the Company during the most recently completed financial year.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, during the most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An "informed person" means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as, it has purchased, redeemed or otherwise acquired any of its shares.

## AUDIT COMMITTEE

Multilateral Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") 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, as set forth in the following.

### *Composition of the Audit Committee*

The Company's audit committee is comprised of three directors: Robert Cross, Peter D. Barnes and David Cohen. As defined in NI 52-110, Robert Cross, Peter D. Barnes and David Cohen are all "independent". Also as defined in NI 52-110, all of the audit committee members are "financially literate".

### *Relevant Education and Experience*

Mr. Cross has more than 15 years of experience in the international resource equity markets. He was formerly CEO of Yorkton Securities Inc. and Partner - Investment Banking of Gordon Capital Corporation. Mr. Cross received his Engineering degree from the University of Waterloo, Ontario (1982) and an MBA from the Harvard Business School (1987).

Mr. Barnes (BSc, CA) is currently President and Chief Executive Officer of Silver Wheaton Corp. He was previously Executive Vice President and Chief Financial Officer of Goldcorp Inc. from April 2005 to April 2006 and prior thereto Chief Financial Officer of Wheaton River Minerals from 2003 until its merger with Goldcorp in 2005. He is a Chartered Accountant with over fifteen years of senior financial experience and holds a BSc in Economics from the University of Hull, England.

Mr. Cohen is currently the Chairman and CEO of the newly formed corporation, Gold Wheaton Corp. He is co-founder and Chairman of Eastern Platinum Ltd. and was the former President and CEO of Northern Orion Resources Inc. He has over twenty years of international experience, including operating and management positions with DeBeers, Anglo American and Fluor Engineers. He is a Professional Chemical Engineer and holds an MBA.

### *Audit Committee Charter*

The Company has adopted a Charter of the Audit Committee of the Board of Directors, which is attached as Schedule "B" to this Information Circular.

### *Audit Committee Oversight*

During the most recently completed financial year, the Company's Board of Directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### *Reliance on Certain Exemptions*

During the most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 or under part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

### *Pre-Approval Policies and Procedures*

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Company's Board of Directors, and where applicable the audit committee, on a case-by-case basis.

### *External Auditor Service Fees*

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor during the period from incorporation to January 31, 2008, by category, are as follows:

	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees <sup>(1)</sup>
Incorporation to January 31, 2007	Nil	Nil	Nil	\$14,031
February 1, 2007 – January 31, 2008	Nil	Nil	\$650	\$18,197

(1) Fees related to the Company's prospectus in connection with its initial public offering.

### *Exemption*

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## **APPOINTMENT OF AUDITORS**

Management is recommending that shareholders vote to appoint PricewaterhouseCoopers LLP of 250 Howe Street, Suite 700, Vancouver, British Columbia V6C 3S7, as Auditors for the Company and to authorize the Directors to fix their remuneration. PricewaterhouseCoopers LLP was first appointed as auditor of the Company on September 13, 2007.

## **OTHER BUSINESS**

As of the date of this circular, management knows of no other matters to be acted upon at this Annual and Special General Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited

hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company's comparative financial statements and management's discussion and analysis ("MD&A") for its most recently completed financial year, which are being mailed to shareholders with the Notice of Meeting and this Information Circular. Shareholders may request additional copies by contacting the Company by: (i) to 5251 DTC Parkway, Suite 405, Greenwood Village, CO, 80111, or (ii) telephone to: (303) 565-5491.

### **BY ORDER OF THE BOARD OF DIRECTORS**

*"Craig J. Nelsen"*

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President & Chief Executive Officer

## Schedule “A”

### Statement of Corporate Governance Disclosure (Venture Issuers)

The following description of the governance practices of the Company is provided in accordance with the guidelines of Multilateral Instrument 58-101, as set out in Form 58-101F2 (the “Form 58-101F2 Guidelines”). The Form 58-101F2 Guidelines address matters relating to constitution and independence of directors, the functions to be performed by the directors of a company and their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices specified by the Canadian securities regulators. The directors of the Company will continue to monitor the developments and the various changes to the proposed corporate governance guidelines and best practices and where applicable will amend its corporate governance guidelines accordingly.

#### Form 58-101F2 Guideline

#### The Governance Disclosure of the Company

##### 1. *Board of Directors*

Disclose how the Board of Directors (the “Board”) facilitates its exercise of independent supervision over management, including

- (i) the identity of directors that are independent, and
- (ii) the identity of directors who are not independent, and the basis for that determination.

The Board consists of four (4) directors, of whom three (3) are independent. None of the unrelated directors has any direct or indirect material relationship with the Company (other than shareholdings) which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgment. Robert Cross, David Cohen, and Peter D. Barnes are independent directors. Craig J. Nelsen is the President and Chief Executive Officer of the Company, and is not independent.

##### 2. *Directorships*

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The directors of the Company are directors of the following reporting issuers set opposite their names:

<b>Name of Director</b>	<b>Reporting Issuer(s)</b>
<b>Craig J. Nelsen</b>	New Gold Inc.
<b>Robert Cross</b>	Bankers Petroleum Ltd. LNG Energy Ltd. B2Gold Corp
<b>Peter D. Barnes</b>	Silver Wheaton Corp.
<b>David Cohen</b>	Gold Wheaton Corp. Eastern Platinum Ltd.

##### 3. *Orientation and Continuing Education*

Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the

Orientation and education of new members of the Board is conducted informally by management and members of the

Board takes to provide continuing education for directors.

Board. The orientation provides background information on the Company's history, performance and strategic plans.

The Board encourages directors and senior management to participate in appropriate professional and personal development activities, courses and programs. In addition, the Company will provide any further continuing education opportunities for all directors, where required, so that individual directors may maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Company's business remains current.

#### **4. *Ethical Business Conduct***

Describe what steps, if any, the Board takes to encourage and promote a culture of ethical business conduct.

The Board has adopted a formal written code of business conduct and ethics available on SEDAR at [www.sedar.com](http://www.sedar.com). The Board monitors compliance with the code to ensure that its standards are met. All employees are provided with a copy of the code and management is responsible for bringing any issues that arise with the code to the Board's attention.

#### **5. *Nomination of Directors***

Disclose what steps, if any, are taken to identify new candidates for Board nomination, including:

- (i) who identifies new candidates, and
- (ii) the process of identifying new candidates.

The Board has formed a Corporate Governance and Nominating Committee for the purpose of identifying new candidates for election to the Board. The Corporate Governance and Nominating Committee prepares a shortlist of potential candidates through discussion with respected financial, legal and commercial institutions and interviews the interested candidates. The key criteria include the following: (i) professional background and related qualifications; (ii) industry experience and relevant professional relationships; (iii) other board appointments; (iv) professional standing and reputation in the investment and mining communities; (v) membership of industry committees and (vi) particular technical or financial background depending on the mix of experience on the Board at that time.

The Board reviews the recommendations of the Corporate Governance and Nominating Committee and makes the final determination about director nominations and appointments. Where appropriate independent consultants are engaged to identify possible new candidates for the Board.

#### **6. *Compensation***

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including:

- (i) who determines compensation, and
- (ii) the process of determining compensation.

Members of the Board are not compensated for acting as directors, save for being granted incentive stock options pursuant to the policies of the CNQ and the Company's stock option plan. The Board as a whole determines the stock option grants for each director. The independent Board members review on an ongoing basis, the compensation of the senior officers to ensure that it is competitive.

The Board and the Compensation Committee rely on objective criteria when determining the compensation of the CEO. These criteria include the attainment of the Company's pre-set objectives for the previous financial year, comparisons of salaries paid to other senior officers in the industry and any advice given by independent advisors and consultants to the Company.

**7. *Other Board Committees***

If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Board is satisfied that in view of the nature and extent of the Company's business operations, it is more efficient and cost effective for the full Board to perform the duties that would be required by standing committees, other than the Audit Committee, Compensation Committee, and the Corporate Governance and Nominating Committee.

**8. *Assessments***

Disclose what steps, if any, that the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board does not, at present, have a formal process in place for assessing effectiveness of the Board as a whole or its individual directors.

## **SCHEDULE “B”**

### **Charter of the Audit Committee of the Board of Directors of Avanti Mining Inc. (the “Company”)**

#### ***Mandate***

The primary function of the audit committee (“Committee”) is to assist the board of directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting; and (c) financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements; (ii) review and appraise the performance of the Company’s external auditors; (iii) provide an open avenue of communication among the Company’s auditors, financial and senior management and the board of directors; and (iv) to ensure the highest standards of business conduct and ethics.

#### ***Composition***

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

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

The members of the Committee shall be elected by the board of directors at its first meeting following the annual shareholders’ meeting. Unless a chair is elected by the full board of directors, the members of the Committee may designate a chair by a majority vote of the full Committee membership.

#### ***Meetings***

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

#### ***Responsibilities and Duties***

To fulfill its responsibilities and duties, the Committee shall:

##### Documents/Reports Review

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

## External Auditors

- (a) Review annually the performance of the external auditors who shall be ultimately accountable to the board of directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take or recommend that the full board of directors take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the board of directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the board of directors to whom authority to grant such approvals has been delegated by the Committee.

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

## Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review certification process for certificates required under Multilateral Instrument 52-109.

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

Other

- a) Review any related party transactions.
- b) Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters (“Concerns”) relating to the Company such that:
  - i. an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;
  - ii. the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and
  - iii. the Committee retains all records relating to any Concerns reported by an individual for a period the Committee judges to be appropriate.

All of the foregoing in a manner that the individual submitting such Concerns shall have no fear of adverse consequences.