

AVANTI MINING INC.
Suite 2600 – 595 Burrard Street
Vancouver, B.C. V7X 1L3
Telephone: (303) 565-5491

INFORMATION CIRCULAR AS AT April 15, 2010

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 May 27, 2010 (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 April 15, 2010.

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. guaranteed

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 Computershare Investor Services Inc., 100 University Ave, 9th Floor, Toronto, Ontario M5J 2Y1, 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.

REVOCATION 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 April 15, 2010 (the “Record Date”), there were 360,717,560 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, other than as follows:

Name	Number of Voting Shares	Percentage of Outstanding Voting Shares
Resource Capital Fund IV L.P.	149,639,736	41.48%

PARTICULARS OF MATTERS TO BE ACTED UPON

Election of Directors

Management proposes to fix the number of Directors of the Company at six (6) 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 ⁽¹⁾	Principal Occupation ⁽¹⁾
Craig J. Nelsen Colorado, USA President, CEO and Director	May 30, 2007	10,227,850	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 ^{[2][3][4]} West Vancouver, BC Director	May 30, 2007	5,916,667	Serves as independent director and, in some cases, non-executive Chairman of public companies principally in the resource sector.
Peter D. Barnes ^{[2][3][4]} North Vancouver, BC Director	June 20, 2007	800,000	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)
James R. Arnold South Carolina, USA Director	October 6, 2009	Nil	Sr. Vice President, Chief Operating Officer and Director of Romarco Minerals since May 2009; formerly Sr. Vice

			President of Colorado Operations for Freeport McMoran from April 2006 to February 2009; Vice President of Technical Services with Coeur d'Alene Mines from February 2002 until April 2006.
Mark A. Smith ^[2] ^[4] Colorado, USA Director	November 5, 2009	30,000	Chief Executive Officer and Director of MolyCorp Minerals, LLC. since October 2008; previously President and Chief Executive Officer of Chevron Mining Inc. from August 2005 to October 2008; formerly Vice President for Unocal Corporation from May 1984 to August 2005.
Ryan T. Bennett ^[3] Colorado USA Director	December 15, 2008	149,639,736 ⁽⁵⁾	Partner with Resource Capital Funds (since 1998). From 1992 to 1998, held various positions within NM Rothschild & Sons Ltd.

Notes:

- (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.
- (5) These shares are owned by Resource Capital Fund IV L.P., an associate of Mr. Bennett. See above under "Voting Securities and Principal Holders of Voting Securities".

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.

No proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a

securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

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.

Approval of Stock Option Plan

The TSX Venture Exchange requires that all listed companies implement a stock option plan pursuant to which options are granted to directors, employees, consultants and certain other service providers. The TSX Venture Exchange also requires that an issuer receive yearly approval of its stock option plan if that stock option plan is a “rolling” plan. The Company currently has a “rolling” stock option plan (the “Plan”) that reserves common shares for issuance on the exercise of stock options at 10% of the common shares of the Company outstanding at the time of the option grant. As of the date of this Information Circular, the Company has 14,235,000 common shares issuable upon the exercise of outstanding options and 22,211,756 common shares available for future option grants. The Company is seeking re-approval of the Plan by shareholders in accordance with the policies of the TSX Venture Exchange.

At the Meeting, Shareholders will be asked to consider, and if thought fit, pass the following resolution:

“RESOLVED, as an Ordinary Resolution, that:

- (a) the Company’s Stock Option Plan (the “Plan”) be and is hereby confirmed, ratified and approved;
- (b) the Company be and is hereby authorized to grant stock options pursuant to and subject to the terms and conditions of the Plan entitling the option holders to purchase common shares of the Company; and
- (c) any one director of the Company be and is hereby authorized to execute any and all documents as the Director deems necessary to give effect to the transactions contemplated in the Plan.

The Board of Directors recommends that the shareholders approve these resolutions.

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, or three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an executive officer of the company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at December 31, 2009, 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 under “Summary Compensation Table”.

Currency

The Company reports its financial statements in Canadian dollars and therefore all amounts under “Executive Compensation” are reported in Canadian dollars. Any compensation that was paid to a Named Executive Officer in currency other than Canadian dollars was converted to Canadian dollars based on the average exchange rate in the financial year during which the compensation was paid. The average exchange rate for the 11 months ended December 31, 2009 is Cdn\$1.00 equals U.S.\$0.8815. The average exchange rate for the 12 months ended January 31, 2009 is Cdn\$1.00 equals U.S.\$0.8088.

Compensation Discussion and Analysis

Compensation Philosophy and Objectives

The Company’s executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives’ interests with those of the Company’s shareholders. The Compensation Committee uses discretion and judgment when determining compensation levels as they apply to a specific executive officer. Individual compensation may be based on individual experience and performance or other criteria deemed important by the Compensation Committee. In order to meet the company’s objectives, the Compensation Committee is guided by:

- providing executives with an equity-based incentive plan, namely a stock option plan;
- aligning employee compensation with company corporate objectives; and
- attracting and retaining highly qualified individuals in key positions.

Compensation Elements

An executive compensation policy has been established to acknowledge and reward the contributions of the executive officers to the Company’s success and to ensure competitive compensation, in order that the Company may benefit from the expertise required to pursue its objectives. The Company’s executive compensation policy is comprised of both fixed and variable components. The variable components include equity and non-equity incentive plans. Each compensation component has a different function, but all elements are intended to work in concert to maximize company and individual performance. The Company does not have specific, competitive operational and financial goals and determines compensation based on a subjective analysis of an executives performance.

The Company’s current executive compensation program is comprised of the following four basic components: (i) base salary; (ii) non-equity incentives—consisting of a cash bonus linked to both individual and corporate performance; (iii) long-term compensation—consisting of the Company’s stock option plan established for the benefit of its directors, executive officers and employees (the “Stock Option Plan”); and (iv) other elements of compensation—consisting of benefits and perquisites.

Base Salary

Salaries of the Company’s executive officers are reviewed annually by the Compensation Committee. In determining individual base salaries, the Compensation Committee takes into consideration individual circumstances that may include the scope of an executive’s position, the executive’s relevant competencies or experience and retention risk. The Compensation Committee also takes into consideration the fulfillment of the corporate objectives of the Company as well as the individual performance of the executive. The Compensation Committee completes a subjective analysis of each executive’s performance at least once a year to determine whether any changes to base salary should be made. The Compensation Committee will make reference to the Company’s operational performance and each executive’s contribution to the success of the Company, but they do not have any objective measures on which their decisions are based. The Compensation Committee has not resolved to increase salaries since 2007.

Short-Term Non-Equity Incentive Compensation

The short-term non-equity incentive compensation plan sets out the allocation of incentive awards based on the advancement of the Company's project development and strategic objectives. The granting of cash incentives require the approval of both the Compensation Committee and the Board of Directors. The Compensation Committee will make reference to the Company's operational performance and each executive's contribution to the success of the Company, but they do not have any objective measures on which their decisions are based. For the financial year ended December 31, 2009, there were no cash bonuses paid to any of the executive officers under the short-term non-equity incentive compensation plan.

Long-term Equity Compensation Plan of Executive Officers

The long-term component of the compensation of the Company's executive officers is based exclusively on the Stock Option Plan, which permits the award of a number of options that varies in accordance with the contribution of the officers and their responsibilities. To encourage retention and focus management on developing and successfully implementing the continuing growth strategy of the Company, stock options generally vest over a period of 18 months.

Option-based Awards

We established the Stock Option Plan in order to attract and retain directors, executive officers and employees, who will be motivated to work towards ensuring the success of the Company. The Board of Directors has full and complete authority to interpret the Stock Option Plan, to establish applicable rules and regulations applying to it and to make all other determinations it deems necessary or useful for the administration of the Stock Option Plan, provided that such interpretations, rules, regulations and determinations are consistent with the rules of all stock exchanges and quotation systems on which the Company's securities are then traded and with all relevant securities legislation.

Individuals eligible to participate under the Stock Option Plan will be determined by either the Board of Directors or the Compensation Committee. Options granted under the Stock Option Plan may be exercised at any time within a maximum period of five years following the date of their grant (the "Outside Expiry Date"). The Board of Directors or the Compensation Committee, as the case may be, designates, at its discretion, the individuals to whom stock options are granted under the Stock Option Plan and determines the number of Common Shares covered by each of such options, the grant date, the exercise price of each option, the expiry date, the vesting schedule and any other matter relating thereto, in each case in accordance with the applicable rules and regulations of the regulatory authorities. The Board of Directors or the Compensation Committee, as the case may be, takes into account previous grants of options when considering new grants. The price at which the common shares may be purchased may not be lower than the closing price of the Common Shares on the TSX Venture Exchange on the last trading day preceding the date of grant of the option.

Options granted under the Stock Option Plan generally vest in equal tranches over an 18 month period or as otherwise determined by the Board or the Compensation Committee, as the case may be.

Summary Compensation Table

The following table is a summary of compensation paid to the Named Executive Officers for the eleven months ended December 31, 2009 and the year ended January 31, 2009:

Name and Principal Position	Year end ⁽¹⁾⁽²⁾	Salary (\$)	Share-based Awards (\$)	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Craig J. Nelsen Chief Executive Officer ⁽⁵⁾	December 31, 2009	\$415,947	Nil	\$Nil \$(Nil) ⁽⁴⁾	Nil	Nil	Nil	\$63,388	\$479,335
	January 31, 2009	\$494,560	Nil	\$438,175 \$(114,257) ⁽⁴⁾	Nil	Nil	Nil	Nil	\$932,735
Amjad J. Ali Chief Financial Officer	December 31, 2009	\$311,960	Nil	\$Nil \$(Nil) ⁽⁴⁾	Nil	Nil	Nil	\$56,384	\$368,794
	January 31, 2009	\$370,920	Nil	\$332,936 \$(82,568) ⁽⁴⁾	Nil	Nil	Nil	Nil	\$703,856
Cheryl A. Martin Corporate Secretary Sr. V.P. Investor Relations	December 31, 2009	\$120,530	Nil	\$Nil \$(Nil) ⁽⁴⁾	Nil	Nil	Nil	\$23,732	\$144,262
	January 31, 2009	\$185,460	Nil	\$41,617 \$(10,321) ⁽⁴⁾	Nil	Nil	Nil	Nil	\$227,077
Robert G. Blair Vice President – Exploration	December 31, 2009	\$155,980	Nil	\$Nil \$(Nil) ⁽⁴⁾	Nil	Nil	Nil	\$40,608	\$196,588
	January 31, 2009	\$185,460	Nil	\$31,811 \$(10,684) ⁽⁴⁾	Nil	Nil	Nil	Nil	\$217,271
Kenneth Collison Senior Vice President – Project Development	December 31, 2009	\$13,000	Nil	\$Nil \$(Nil) ⁽⁴⁾	Nil	Nil	Nil	Nil	\$13,000
	January 31, 2009	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) During 2009 the Company changed its year-end from January 31 to December 31.
- (2) Cheryl A. Martin resigned as Corporate Secretary and Senior Vice President of Investor Relations on October 31, 2009. Kenneth Collison was first appointed as Senior Vice President, Project Development on December 1, 2009
- (3) The value of the option-based awards reflects the fair value of options granted on the dates of grant, which were June 24, 2008, and October 22, 2008. The fair value was computed using the Black Scholes option pricing model with the following assumptions: a) average risk-free interest rate of 1.43% to 3.5%; b) expected life of three to five years; c) the price of the stock on the grant date; d) expected volatility of 100%; and d) no expected dividend payments. The Black Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.
- (4) The fair value in accordance with the CICA Handbook Section 3870 is lower in each case due to the graded vesting of the options granted.
- (5) No compensation is paid to Mr. Nelsen for his services as a director of the Company.

Pension Plan Benefits

The Company does not have any pension plans that provide for payments or benefits at, following, or in connection with retirement.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets forth information for each Named Executive Officer regarding all awards of options outstanding at the end of the most recently completed financial year. Further details about the granting of options and determination of their terms are discussed above under “Option-based Awards”.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Craig J. Nelsen	300,000 ⁽²⁾	0.10	10/22/2013	\$31,500	Nil	Nil
	1,000,000 ⁽³⁾	0.56	6/24/2013	Nil		
	875,000 ⁽⁵⁾	0.10	8/20/2012	\$91,875		
Amjad J. Ali	800,000 ⁽³⁾	0.56	6/24/2013	Nil	Nil	Nil
	200,000 ⁽⁴⁾	0.52	12/13/2012	Nil		
	375,000 ⁽⁵⁾	0.10	8/20/2012	\$39,375		
Cheryl A. Martin	100,000 ⁽³⁾⁽⁶⁾	0.56	6/24/2013	Nil	Nil	Nil
	100,000 ⁽⁴⁾⁽⁷⁾	0.52	12/13/2012	Nil		
Robert G. Blair	150,000 ⁽²⁾	0.10	10/22/2013	\$15,750	Nil	Nil
	50,000 ⁽³⁾	0.56	6/24/2013	Nil		
Kenneth Collison	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) This amount is calculated based on the difference between the market value of the securities underlying the option at the end of the year, and the exercise price of the option. The closing price of the Company’s common shares on the TSX Venture Exchange on December 31, 2009 was \$0.205.
- (2) These options vest as follows: 1/4 on the date of grant (October 22, 2008), 1/4 six months later (April 22, 2009), 1/4 six months later (October 22, 2009) and 1/4 six months later (April 22, 2010).
- (3) These options vest as follows: 1/4 on the date of grant (June 24, 2008), 1/4 six months later (Dec 24, 2008), 1/4 six months later (June 24, 2009) and 1/4 six months later (Dec 24, 2009).
- (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 (December 13, 2008); and 1/3 of the options vest on the second anniversary of the date of the grant (December 13, 2009).
- (5) These options vest as follows: 1/4 of the options vested on the date the Company’s shares were first listed on a stock exchange (August 20, 2007), and 1/4 of the options vested every six months from the listing date thereafter.
- (6) These options expired unexercised on February 1, 2010.
- (7) These options expired unexercised on February 1, 2010.

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year (\$)⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Craig J. Nelsen	\$46,750 ⁽²⁾	Nil	Nil
Amjad J. Ali	\$18,750 ⁽³⁾	Nil	Nil
Cheryl A. Martin	Nil	Nil	Nil
Robert G. Blair	\$1,500 ⁽⁴⁾	Nil	Nil

Notes:

- (1) This amount is calculated based on the dollar value that would have been realized by determining the difference between the closing market price of the common shares and the exercise price of the options on the vesting date.
- (2) 875,000 options exercisable at \$0.10 vested on February 20, 2009, 75,000 options exercisable at \$0.10 vested on April 22, 2009 and 75,000 options exercisable at \$0.10 vested on October 22, 2009. The closing prices of the Company's common shares on the TSX Venture Exchange on February 20, 2009, April 22, 2009 and October 22, 2009 were \$0.15, \$0.10 and \$0.14.
- (3) 375,000 options exercisable at \$0.10 vested on February 20, 2009. The closing price of the Company's common shares on the TSX Venture Exchange on February 20, 2009 was \$0.15.
- (4) 37,500 options exercisable at \$0.10 vested on April 22, 2009 and 37,500 options exercisable at \$0.10 vested on October 22, 2009. The closing prices of the Company's common shares on the TSX Venture Exchange on April 22, 2009 and October 22, 2009 were \$0.10 and \$0.14.

Termination and Change of Control Benefits

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 granted Nelsen additional options to purchase up to 1,500,000 Common Shares of the Company. 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 granted Ali additional options to purchase up to 1,000,000 Common Shares of the Company. 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.

The following table shows estimated incremental payments triggered pursuant to termination of employment of a Named Executive Officer in accordance with the termination provisions described above:

Name	Termination Cause Value⁽¹⁾⁽³⁾⁽⁴⁾	Without Provision	Termination on Change of Control Provision Value⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Resignation⁽¹⁾⁽³⁾⁽⁴⁾
Craig J. Nelsen	\$453,760		\$1,478,780	\$142,815
Amjad J. Ali	\$340,320		\$718,140	\$94,455

Notes:

- (1) The termination values assume that the triggering event took place on the last business day of the Company’s financial year-end (December 31, 2009).
- (2) The accelerated option-based award value on the last business day of the Company’s year-end (December 31, 2009) was \$117,500 for Mr. Nelsen and \$37,500 for Mr. Ali.
- (3) Value of earned/unused vacation and amounts owing for expense reimbursement are not included as they are not considered as “incremental” payments made in connection with termination of employment.
- (4) Assumes the maximum notice period of three months.

COMPENSATION OF DIRECTORS

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 TSX-V. During the most recently completed financial year, the Company granted incentive stock options to purchase 200,000 shares to one independent director.

Director compensation table

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Robert Cross	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Peter D. Barnes	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James R. Arnold ⁽³⁾	Nil	Nil	\$23,978 \$(12,489) ⁽²⁾	Nil	Nil	Nil	
David Cohen ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mark A. Smith ⁽⁵⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ryan T. Bennett	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The value of the option-based awards reflects the fair value of options granted on the date of grant, which was October 6, 2009. The fair value was computed using the Black Scholes option pricing model with the following assumptions: a) average risk-free interest rate of 1.98%; b) expected life of five years; c) the price of the stock on the grant date; d) expected volatility of 100%; and d) no expected dividend payments. The Black Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.
- (2) The fair value in accordance with the CICA Handbook Section 3870 is lower in each case due to the graded vesting of the options granted.
- (3) James Arnold was appointed a director on October 6, 2009.
- (4) David Cohen served as a director until November 5, 2009.
- (5) Mark Smith was appointed a director on November 5, 2009.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table sets forth information for each Director, except for Craig J. Nelsen, regarding all awards of options outstanding at the end of the most recently completed financial year. Further details about the granting of options and determination of their terms are discussed above under "Executive Compensation – Option-based Awards".

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Robert Cross	100,000 ⁽²⁾ 100,000 ⁽⁴⁾ 100,000 ⁽⁵⁾	0.10 0.52 0.10	10/22/2013 12/13/2012 8/20/2012	\$10,500 Nil \$10,500	Nil	Nil
Peter D. Barnes	200,000 ⁽²⁾ 200,000 ⁽⁴⁾	0.10 0.52	10/22/2013 12/13/2012	\$21,000 Nil	Nil	Nil
David Cohen	200,000 ⁽²⁾ 200,000 ⁽³⁾	0.10 0.56	10/22/2013 6/24/2013	\$21,000 Nil	Nil	Nil
Mark A. Smith	Nil	Nil	Nil	Nil	Nil	Nil
James R. Arnold	200,000 ⁽⁶⁾	0.16	10/6/2014	\$6,560	Nil	Nil
Ryan T. Bennett	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) This amount is calculated based on the difference between the market value of the securities underlying the option at the end of the year, and the exercise price of the option. The closing price of the Company's common shares on the TSX Venture Exchange on December 31, 2009 was \$0.205.
- (2) These options vest as follows: 1/4 on the date of grant (October 22, 2008), 1/4 six months later (April 22, 2009), 1/4 six months later (October 22, 2009) and 1/4 six months later (April 22, 2010).
- (3) These options vest as follows: 1/4 on the date of grant (June 24, 2008), 1/4 six months later (Dec 24, 2008), 1/4 six months later (June 24, 2009) and 1/4 six months later (Dec 24, 2009).
- (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 (December 13, 2008); and 1/3 of the options vest on the second anniversary of the date of the grant (December 13, 2009).
- (5) These options vest as follows: 1/4 of the options vested on the date the Company's shares were first listed on a stock exchange (August 20, 2007), and 1/4 of the options vested every six months from the listing date thereafter.
- (6) These options vest as follows: 1/4 on the date of grant (October 6, 2009), 1/4 six months later (April 6, 2010), 1/4 six months later (October 6, 2010) and 1/4 six months later (April 6, 2011).

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert Cross	\$2,250 ⁽²⁾	Nil	Nil
Peter D. Barnes	\$2,000 ⁽³⁾	Nil	Nil
David Cohen	\$2,000 ⁽⁴⁾	Nil	Nil
Mark A. Smith	Nil	Nil	Nil
James R. Arnold	Nil ⁽⁵⁾	Nil	Nil
Ryan T. Bennett	Nil	Nil	Nil

Notes:

- (1) This amount is calculated based on the dollar value that would have been realized by determining the difference between the closing market price of the common shares and the exercise price of the options on the vesting date.

- (2) 25,000 options exercisable at \$0.10 vested on February 20, 2009, 25,000 options exercisable at \$0.10 vested on April 22, 2009 and 25,000 options exercisable at \$0.10 vested on October 22, 2009. The closing prices of the Company's common shares on the TSX Venture Exchange on February 20, 2009, April 22, 2009 and October 22, 2009 were \$0.15, \$0.10 and \$0.14.
- (3) 50,000 options exercisable at \$0.10 vested on April 22, 2009 and 50,000 options exercisable at \$0.10 vested on October 22, 2009. The closing prices of the Company's common shares on the TSX Venture Exchange on April 22, 2009 and October 22, 2009 were \$0.10 and \$0.14.
- (4) 50,000 options exercisable at \$0.10 vested on April 22, 2009 and 50,000 options exercisable at \$0.10 vested on October 22, 2009. The closing prices of the Company's common shares on the TSX Venture Exchange on April 22, 2009 and October 22, 2009 were \$0.10 and \$0.14.
- (5) 50,000 options exercisable at \$0.10 vested on October 6, 2009. The closing price of the Company's common shares on the TSX Venture Exchange on October 6, 2009 was \$0.155.

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".

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information at 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.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾ (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	7,260,000	\$0.34	19,941,816
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	7,260,000		19,941,816

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 the associates of any of the foregoing, has been indebted to the Company during the most recently completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed below, during the most recently completed financial year, no informed person of the Company, nominee for election as a 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.

Resource Capital Fund IV L.P. (“RCF”), 1400 Sixteenth Street, Suite 200, Denver, CO, USA 80202, is the beneficial owner of 149,639,736 Common Shares representing approximately 41.48% of the Company’s outstanding common shares and an associate of Mr. Ryan T. Bennett. The acquisition of the Kitsault molybdenum property was funded through a US\$20 million secured convertible bridge loan from RCF that had a maturity date of July 15, 2009 and an interest rate of 15% per annum. On October 2, 2009 the Company entered into an amended and restated convertible bridge loan agreement (the "**Amended Loan Agreement**") with RCF to convert US\$15,116,667 of the then existing convertible bridge loan into units of the Company at a deemed conversion price of \$0.16 per unit (an "**RCF Unit**"). Each RCF Unit consists of one Common Share and one-half of one Common Share purchase warrant. Each whole warrant entitles RCF the right to purchase one Common Share until November 6, 2013 at an exercise price \$0.216. RCF further agreed to fix the conversion price of the remaining loan of US\$5,000,000 (the "**Convertible Loan**") to be equal to \$0.24 until the Company completes an equity offering and thereafter the conversion price of the Convertible Loan will be equal to the price at which Avanti makes its next equity offering. Avanti subsequently completed the an equity offering in February 2010 and therefore the conversion price of the Convertible Loan is fixed at \$0.20. The Convertible Loan is due on June 15, 2012 and the Company is permitted to pay the full outstanding amount of the Convertible Loan at anytime.

The purpose and business reason for the Company entering into the Amended Loan Agreement was that previously RCF could have delayed converting the outstanding amount of the convertible bridge loan until June 15, 2012, causing uncertainty and difficulties in the capital markets. The Amended Loan Agreement increased certainty in the Company's capital structure and an improvement in the financial position of the Company through the conversion of US\$15,116,667 of debt into shares and warrants of the Company. The Amended Loan Agreement was approved by the shareholders of the Company on November 5, 2009 with RCF and its related parties and joint actors abstaining from voting on the matter.

AUDIT COMMITTEE

National 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 (the “Audit Committee”) is comprised of three directors: Robert Cross, Peter D. Barnes and Mark Smith. As defined in NI 52-110, Robert Cross, Peter D. Barnes and Mark Smith 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 20 years of experience as a financier in the mining and oil & gas sectors. He is a co-founder and Non-Executive Chairman of Bankers Petroleum Ltd., Non-Executive Chairman of B2Gold Corp., co-founder and Chairman of Petrodorado Energy Ltd., and until October 2007, was the Non-Executive Chairman of Northern Orion Resources Inc. Between 1996 and 1998, Mr. Cross was Chairman and Chief Executive Officer of Yorkton Securities Inc. From 1987 to 1994, he was a Partner, Investment Banking with Gordon Capital Corporation in Toronto. He has an Engineering Degree from the University of Waterloo, and received his MBA from Harvard Business School in 1987.

Mr. Barnes (BSc, CA) is currently 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. Smith is currently the CEO of Molycorp Minerals LLC and is the former president and CEO of Chevron Mining Inc., a wholly owned subsidiary of Chevron Corporation. Mr. Smith was also a vice president with Unocal Corporation, where he was responsible for managing the real estate, remediation and mining divisions. Mr. Smith worked for Unocal for over 22 years. Mr. Smith received his Bachelor of

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 last two fiscal years, by category, are as follows:

	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees ⁽¹⁾
January 1, 2008 – December 31, 2009	\$77,500	\$15,000	\$13,487	Nil
February 1, 2008 – January 31, 2009	\$70,000	Nil	\$19,332	Nil

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.

OTHER BUSINESS

As of the date of this Information Circular, management knows of no other matters to be acted upon at this Annual 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.

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 available on the SEDAR website at www.sedar.com. Shareholders may request additional copies by contacting the Company (i) by mail to: Corporate Secretary, 12200 E. Briarwood Avenue, Suite 175, Centennial, CO 80112 or (ii) by telephone to: (303) 565-5491.

BY ORDER OF THE BOARD OF DIRECTORS

"Craig J. Nelsen"

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 six (6) directors, of whom four (4) 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, Peter D. Barnes, James Arnold and Mark Smith are independent directors. Craig J. Nelsen is the President and Chief Executive Officer of the Company, and is not independent. Ryan T. Bennett is an affiliated entity of the Company due to his relationship with RCF 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:

Name of Director	Reporting Issuer(s)
Craig J. Nelsen	New Gold Inc.
Robert Cross	Bankers Petroleum Ltd. LNG Energy Ltd. B2Gold Corp Petrodorado Energy Ltd. BNK Petroleum Ltd.
Peter D. Barnes	Silver Wheaton Corp.
Mark Smith	None
Ryan T. Bennett	None
James Arnold	Romarco Minerals Inc.

3. *Orientation and Continuing Education*

Describe what steps, if any, the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.

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

Please refer to the disclosure in the Information Circular under “Executive Compensation” and “Director Compensation” for disclosure about how compensation of directors and executive officers is determined.

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.

