

ACRO ENERGY TECHNOLOGIES CORP.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general and special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of Acro Energy Technologies Corp. (the “**Corporation**”) will be held at the head office of the Corporation, 10700 Richmond Ave., Suite 275, Houston, Texas on Monday, June 21, 2010, at 10:00 am (Houston time) for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for its fiscal year ended December 31, 2009 and management discussion and analysis in respect thereof, and the report of the auditors thereon;
2. To fix the number of directors of the Corporation to be elected at the Meeting at six;
3. To elect six directors to hold office until the next annual general meeting of the Corporation;
4. To appoint Calvetti, Ferguson & Wagner, P.C. as auditors for the ensuing year and to authorize the directors to fix the auditors compensation, as more particularly set forth in the accompanying Circular;
5. To approve the Corporation’s stock option plan, as more particularly set forth in the accompanying Circular;
6. To act upon such other matters, including amendments to the foregoing, as may properly come before the Meeting, or any adjournment thereof.

Accompanying this Notice is a Management Information Circular dated May 20, 2010 (the “**Circular**”) which provides additional information relating to the matters to be dealt with at the meeting and forms part of this Notice.

The record date for the purpose of determining Shareholders entitled to receive notice of and vote at the Meeting is April 21, 2010. The failure of any Shareholder to receive notice of the Meeting does not deprive such Shareholder of the right to vote at the Meeting. Only Shareholders of record at the close of business on April 21, 2010 are entitled to vote at the Meeting unless Common Shares are transferred after April 21, 2010 and the transferee establishes that he or she owns such shares and demands not later than 10 days before the Meeting, that the transferee’s name be included in the list of shareholders for the Meeting, in which case, the transferee is entitled to vote those shares at the Meeting.

Shareholders who are unable to attend the Meeting and beneficial shareholders are requested to complete, sign and date the accompanying form of proxy for use at the Meeting; they should return it in the envelope provided or as otherwise instructed. Proxies to be used at the Meeting must be deposited with the Corporation’s transfer agent, Computershare Investor Services Inc., by mail or delivery to 100 University Ave, 9th Floor, Toronto, Ontario M5J 2Y1, not less than 48 hours, weekends and holidays excepted, preceding the Meeting or any adjournment thereof.

As stated in the Notes to the Proxy, the enclosed Proxy is solicited by or on behalf of management of the Corporation, and the persons named as proxyholder are directors and/or officers of the Corporation, or nominees selected by management. **You may appoint another to represent you at the Meeting by striking out the names of the persons therein and inserting, in the space provided, the name of the person you wish to represent you at the Meeting.**

If you are a non-registered Shareholder and have received these materials through your broker or another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or such other intermediary.

DATED at Houston, Texas, this 20th day of May 2010.

By Order of the Board of Directors

ACRO ENERGY TECHNOLOGIES CORP.

“Harry J. Fleming”

Harry J. Fleming
Chairman and Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR
for the
ANNUAL GENERAL AND SPECIAL MEETING
of
ACRO ENERGY TECHNOLOGIES CORP.
to be held on
Monday, June 21, 2010

GLOSSARY OF TERMS

The following terms used in this management information circular are intended to have the meanings set forth below:

“**Audit Committee**” means the audit committee of the Board of Directors of the Corporation, the members of which currently are Kenneth J. Klein (Chair), Thomas O. Foster, III and Douglas Samuelson. Upon completion of the Meeting, the members of the audit committee will be Kenneth J. Klein (Chair), Thomas O. Foster, III and Douglas Samuelson.

“**Board of Directors**” means the board of directors of the Corporation.

“**Business Day**” means any day other than a Saturday, Sunday or a statutory holiday in the Province of British Columbia.

“**Business Corporations Act**” means the *Business Corporations Act* (British Columbia).

“**Circular**” means this management information circular and the attached Notice.

“**Common Shares**” means the issued and outstanding common shares of the Corporation as constituted on the date of this Circular.

“**Corporation**” means Acro Energy Technologies Corp., a corporation incorporated under the *Business Corporations Act* (British Columbia), having its head office at 10700 Richmond Ave., Suite 275, Houston, Texas 77042.

“**Intermediary**” means an intermediary that a Non-Registered Shareholder may deal with, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed RRSPs, RRIFs, RESPs and similar plans.

“**Management**” means the management of the Corporation.

“**Meeting**” means the annual general and special meeting of the Shareholders to be held on June 21, 2010 and all adjournments thereof.

“**Non-Registered Holder**” means a holder of Common Shares who is a beneficial owner, and not a registered owner of such shares.

“**Notice**” means the notice of annual general and special meeting accompanying this Circular.

“**Shareholders**” mean the shareholders of the Corporation.

“**Transfer Agent**” means Computershare Investor Services Inc., the Corporation’s registrar and transfer agent.

“**TSXV**” means the TSX Venture Exchange.

ACRO ENERGY TECHNOLOGIES CORP.

MANAGEMENT INFORMATION CIRCULAR
(Containing information as at May 20, 2010, unless otherwise indicated)

GENERAL PROXY INFORMATION

AND ANNUAL MEETING MATTERS

Introduction

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the directors and Management of Acro Energy Technologies Corp. to be used at the Meeting to be held on June 21, 2010, and any adjournment thereof, for the purposes set forth in the accompanying Notice. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited by telephone or other personal contact by employees of the Corporation. The costs of solicitation will be borne by the Corporation. The Corporation will reimburse banks, brokerage firms and other custodians, nominees, fiduciaries and intermediaries for their reasonable expenses incurred in sending proxy materials to beneficial owners of Common Shares and requesting authority to execute proxies. The information contained herein is given as at May 20, 2010, unless otherwise indicated. Unless otherwise stated, references herein to "\$" or "dollars" mean the lawful currency of the United States.

General Voting and Proxy Information

Appointment of Proxies

A form of proxy is enclosed and, if it is not your intention to be present at the Meeting, you are asked to complete and return the form of proxy in the envelope provided. The proxy must be executed by the Shareholder or the attorney of such Shareholder, duly authorized in writing, or if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer. Evidence of the authority of such attorney or officer, as applicable, must accompany the Proxy. Proxies to be used at the Meeting must be deposited with the Corporation's Transfer Agent.

The persons named in the form of proxy are officers or Directors of the Corporation. **A Shareholder may appoint a proxyholder (who is not required to be a Shareholder), other than any person designated in the form of proxy, to attend and act on such Shareholder's behalf at the Meeting, either by inserting such other desired proxyholder's name in the blank space provided in the form of proxy and strike out the names printed thereon or by substituting another proper form of proxy.**

Revocation of Proxies

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his or her attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the offices of the Transfer Agent, on or before the last Business Day preceding the day of the Meeting, or any adjournment or adjournments thereof, or with the Chairman of the Meeting on the day of the Meeting. Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.

Voting of Proxies

Common Shares represented by proxies will be voted or withheld from voting as specified on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, Common Shares represented by properly executed proxies will be voted accordingly. **If no specification is made to**

withhold the said Common Shares from voting, a proxyholder will vote the Common Shares (i) to fix the number of directors of the Corporation to be elected at five, (ii) election of the persons nominated by Management as directors of the Corporation, (iii) appointment of auditors and the authorization of the directors to fix the remuneration of the auditors, and (iv) approval of the Company's rolling stock option plan, all as described in this Circular. If a choice to the contrary is not specified by a Shareholder with respect to the ordinary resolution approving the Stock Option Plan, such Common Shares will be voted in favor of such matter, as described in this Circular.

The enclosed form of proxy confers discretionary authority upon the individual(s) named therein with respect to amendments or variations to matters identified in the accompanying Notice, and with respect to such other matters which may properly come before the Meeting or any adjournment thereof. At the date of this Circular, Management is not aware of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. However, if other matters, which are not now known to Management, should properly come before the Meeting, the accompanying proxy will be voted on such matters by the persons so designated in their discretion.

To be effective, proxies must be received by the Transfer Agent, by mail or delivery to 100 University Ave, 9th Floor, Toronto, Ontario M5J 2Y1, not later than 9:30 a.m. (CDT) on June 17, 2010, or, if the Meeting is adjourned, not later than 9:30 a.m. (CDT) on the last Business Day preceding the date of such adjourned Meeting.

Non-Registered Holders

Only registered holders of Common Shares or the individuals they appoint are permitted to vote at the Meeting. However, in many cases such Common Shares beneficially owned by Non-Registered Holders are registered either: (i) in the name of an Intermediary with whom the Non-Registered Holder deals with in respect of the Common Shares such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administering RRSPs, RRIFs and similar plans; or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 Proxy Solicitation, the Corporation has distributed copies of the Notice, form of proxy and this Circular to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders. Intermediaries are then required to forward the materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service company to forward the meeting materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive meeting materials will either:

- (a) Be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent, as described above; or
- (b) More typically, be given a voting instruction form which must be completed and signed by the Non-Registered Holder of Common Shares in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone).

The purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Should a Non-Registered Holder who receives the voting instruction form wish to attend and vote at the Meeting in person (or have another individual attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In any event, Non-Registered Holders should carefully follow the instructions of their Intermediary set out in the voting instruction form.**

In respect of any meeting materials sent directly to a Non-Registered Holder by the Corporation or its agent, the Non-Registered Holder's name and address and information about the Non-Registered Holder's holdings of

Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on such Non-Registered Holder's behalf. By choosing to send the meeting materials to the Non-Registered Holder directly, the Corporation (and not the Intermediary holding on the Non-Registered Holder's behalf) has assumed responsibility for (i) delivering the meeting materials to the Non-Registered Holder, and (ii) executing the Non-Registered Holder's proper voting instructions. Non-Registered Holders are asked to return their voting instructions as specified in the request for voting instructions.

PRIVATE PLACEMENTS AND ACQUISITIONS

On February 23, 2009, the Corporation completed a private placement offering which resulted in the issuance of a total of 652,433 Units in the capital of the Corporation at a price of CDN \$0.68 per Unit, raising gross proceeds of CDN \$443,655. Each Unit was composed of one Share and one Warrant. Each Warrant entitled the holder to purchase one Warrant Share of the Corporation at a price of CDN\$0.90 per share between February 24, 2009 and August 23, 2009 and CDN\$1.30 per Share between August 24, 2009 and February 23, 2010. An officer and director of the Corporation purchased a total of 205,050 Units as part of this Private Placement. None of these warrants were exercised before expiration.

Concurrent with the Private Placement, the Corporation, through its direct wholly owned subsidiary Acro Energy Technologies, LLC ("Acro Energy"), also completed its Qualifying Transaction pursuant to Policy 2.4 of the TSXV Corporate Finance Manual with the acquisition from the Steven J. Vella Family 2008 Trust of all of the issued and outstanding common shares of Acro Electric Inc., a California corporation headquartered in Oakdale, CA for an aggregate purchase price of \$5,658,261. The Purchase Price for the acquisition of Acro Electric, Inc. was satisfied as follows:

- (a) \$1,304,662 consisting of \$900,000 in cash and forgiveness by the Corporation of \$404,662 in pre-acquisition obligations owed by the seller to Acro Electric, Inc.;
- (b) \$1,414,565 in the form of Shares based on a Discounted Market Price of CDN \$0.68 per Share (the "Share Consideration");
- (c) \$2,939,034 in the form of a convertible demand promissory note dated as of the Closing Date issued from Acro Energy to the Vendor.

As the Share Consideration, the Corporation issued to the Vendor 2,600,303 common shares from its treasury. The TSXV issued a Final Exchange Bulletin on February 24, 2009 and thus, as of that date, the Corporation completed its Qualifying Transaction and was no longer a Capital Pool Company.

On April 29, 2009, the Corporation completed a private placement offering which resulted in the issuance of 2,217,803 units (each, a "Unit") at a price of CDN\$0.225 per Unit, raising gross proceeds of CDN\$499,005. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.45 until April 29, 2010. A Director of the Corporation purchased a total of 56,080 Units as part of this Private Placement. None of these warrants were exercised before expiration.

On May 5, 2009, the Corporation, through its wholly owned subsidiary, Acro Energy Technologies, Inc, a California corporation, completed the acquisition under an Asset Purchase Agreement (the "Purchase Agreement") with Solar Self Help, Inc. d/b/a Light Energy Systems, a California corporation headquartered in Concord, California ("Light Energy") and Duane and Karen Peterson Campbell, the sole shareholders of Light Energy. Under the Agreement, the Corporation acquired substantially all of the assets and assumed a number of existing contracts for the installation of photovoltaic solar energy, solar water heating, and solar pool heating systems. The purchase price paid consisted of \$192,250 cash and 507,833 common shares issued from the treasury of the Corporation at a deemed price of CDN\$0.33 per share. The Corporation also agreed to assume a maximum of \$100,000 in existing liabilities of Solar Self Help, Inc.

On May 8, 2009, the Corporation completed a private placement offering which resulted in the issuance of 1,210,063 units (each, a “Unit”) at a price of CDN\$0.255 per Unit, raising gross proceeds of CDN\$308,566. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.45 until May 8, 2010 and an exercise price of CDN\$0.55 until May 8, 2011. Officers and Directors of the Corporation purchased a total of 128,655 Units as part of this Private Placement.

On November 3, 2009, the Corporation completed a private placement offering which resulted in the issuance of 2,361,038 units (each, a “Unit”) at a price of CDN\$0.185 per Unit, raising gross proceeds of CDN\$436,792. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.35 until November 3, 2011.

On November 5, 2009 the Corporation closed the October 28, 2009 Stock Purchase Agreement (the “Agreement”) with Energy Efficiency Solar, Inc., a California corporation headquartered in Pomona, Calif. (“EE Solar”) and William Korthof, the sole shareholder of EE Solar. Under the Agreement, the Corporation acquired all of the issued and outstanding shares of EE Solar for consideration consisting of \$250,000 cash, a promissory note in the amount of \$740,700, and 2,216,250 common shares issued from the treasury of the Company at a deemed value of CDN\$0.24 per share.

On December 9, 2009, the Corporation completed a private placement offering which resulted in the issuance of 1,180,123 units (each, a “Unit”) at a price of CDN\$0.185 per Unit, raising gross proceeds of CDN\$218,322.90. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.35 until December 9, 2011. Officers and Directors of the Corporation purchased a total of 1,140,216 Units as part of this Private Placement.

On January 15, 2010, the Corporation completed a private placement offering which resulted in the issuance of 1,550,250 units (each, a “Unit”) at a price of CDN\$0.20 per Unit, raising gross proceeds of CDN\$310,050. Each Unit is comprised of one common share in the capital of the Company and one share purchase warrant. Each share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.35 until January 15, 2012. An Officer and Director of the Corporation, purchased a total of 1,291,875 Units at part of this Private Placement.

On March 19, 2010, the Corporation completed a private placement offering which resulted in the issuance of 1,086,044 units (each, a “Unit”) at a price of CDN\$0.29 per Unit, raising gross proceeds of CDN\$314,953.00. Each Unit is comprised of one common share in the capital of the Company and one half share purchase warrant. Each whole share purchase warrant will entitle to the holder to acquire one additional common share in the capital of the Company at an exercise price of CDN\$0.55 until September 17, 2010.

CHANGE IN YEAR END

On November 16, 2009, the Corporation announced that it had changed its financial year from November 30 to December 31 commencing December 31, 2009 which will be a 13 month year end.

CHANGE IN REPORTING CURRENCY

On April 30, 2010, the Corporation announced that it had changed the reporting currency of its financial information from Canadian to US dollars. The change was effective for the year ended December 31, 2009.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares. The Corporation has only one class of shares. As of the date hereof, 32,545,280 Common Shares are issued and outstanding. Each Common Share entitles the holder thereof to one vote in respect of each matter to be voted upon at the Meeting. At

least two persons, each being a shareholder entitled to vote at the Meeting, and together holding at least 5% of the outstanding Common Shares in person or represented by proxy must be present at the Meeting in order to form a quorum. Shareholders of record as April 21, 2010 (the “**Record Date**”) are entitled to receive notice and attend and vote at the Meeting.

On a show of hands, every Shareholder present in person or represented by proxy (and entitled to vote) has one vote. On a poll or ballot, every Shareholder present or in person or by proxy has one vote for each Common Share held. All votes on special resolutions (if any) will be conducted by a poll and no demand for a poll is required.

Holders of Common Shares acquired subsequent to the Record Date and prior to the date of the Meeting are also entitled to attend and vote at the Meeting. If a Shareholder has transferred the ownership of any of his, her, or its Common Shares after the Record Date and the transferee of those Common Shares produces properly endorsed certificates or otherwise establishes that he, she, or it owns the Common Shares and demands, not later than 10 days before the Meeting, that his or her name be included in the list of persons entitled to vote at the Meeting, then the transferee is entitled to have such Common Shares voted at the Meeting.

As at the date hereof, the following table sets forth the only persons who, to the knowledge of the directors and senior officers of the Corporation, beneficially own or exercise control or direction over more than 10% of the issued and outstanding Common Shares.

Name	Number of Common Shares	Percentage of Common Shares
Harry J. Fleming	9,059,839	29%

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets out the compensation for the Chief Executive Officer, President, Chief Financial Officer, Chief Operations Officer, and Executive Vice President, General Counsel, Secretary of the Corporation.

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation
		Salary (\$) ⁽¹⁾	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options/SARS Granted (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Harry J. Fleming, CEO and Director	2009	70,769	-	30,062	175,000	-	-	-
	2008	-	-	60,200	-	-	-	-
	2007	-	-	-	-	-	-	-
Robert N. Kreamer Director and President ⁽²⁾	2009	-	-	96,287	625,000	-	-	-
	2008	-	-	-	-	-	-	-
	2007	-	-	-	-	-	-	-
Steven J. Vella Former COO ⁽³⁾	2009	96,637	-	3,796	175,000	-	-	-
	2008 ⁽⁴⁾	93,100	-	-	-	-	-	-
	2007 ⁽⁴⁾	94,000	-	-	-	-	-	-
Martin C. Spake Chief Financial Officer ⁽⁵⁾	2009	45,577	-	-	100,000	-	-	-
	2008	-	-	-	-	-	-	-
	2007	-	-	-	-	-	-	-

Name and Principal Position	Year	Annual Compensation			Long-Term Compensation			All Other Compensation
		Salary (\$) ⁽¹⁾	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options/SARS Granted (#)	Shares or Units Subject to Resale Restrictions (\$)	LTIP Payouts (\$)	
Buu Q Tran <i>Former Interim Chief Financial Officer</i> ⁽⁶⁾	2009	45,769	15,000	9,700	-	-	-	-
	2008	-	-	-	-	-	-	-
	2007	-	-	-	-	-	-	-
Christopher Mulgrew, <i>Former Chief Financial Officer</i> ⁽⁷⁾	2009	-	-	24,550	-	-	-	-
	2008	-	-	-	-	-	-	-
	2007	-	-	-	-	-	-	-
Douglas Samuelson <i>Executive Vice President, General Counsel, Secretary, Director and former interim CFO</i> ⁽⁸⁾	2009	98,461	-	28,525	150,000	-	-	-
	2008	-	-	29,750	-	-	-	-
	2007	-	-	-	-	-	-	-

- (1) Salaries began on March 1, 2009, after the approval of the Corporation's Qualifying Transaction.
- (2) Mr. Kreamer was named President effective June 1, 2009.
- (3) Effective November 4, 2009, Mr. Vella was appointed Director of Business Development and ceased being Chief Operations Officer.
- (4) The following compensation was paid by the Corporation's wholly owned subsidiary Acro Electric, Inc. prior to the completion of the Corporation's Qualifying Transaction.
- (5) Mr. Spake was named Chief Financial Officer on September 9, 2009.
- (6) Mr. Tran served as the Corporation's Interim Chief Financial Officer from March 30, 2009 until September 9, 2009.
- (7) Mr. Mulgrew was appointed as the Corporation's Chief Financial Officer on July 7, 2008. Effective February 23, 2009, the Corporation terminated its relationship with Mr. Mulgrew.
- (8) Mr. Samuelson was appointed as the Corporation's Interim Chief Financial Officer on February 23, 2009 and resigned as Interim Chief Financial Officer on March 30, 2009. Mr. Samuelson remains as the Corporation's Executive Vice President, General Counsel, Secretary and a Director.

Long Term Incentive Plan ("LTIP") Awards

The Corporation does not have a LTIP, pursuant to which cash or non-cash compensation intended to serve as an incentive for performance over a period greater than one financial year (whereby performance is measured by reference to financial performance or the price of the Corporation's securities) was paid to the Named Executive Officers(s) during the most recently completed financial year.

Option/Stock Appreciation Rights ("SAR") Grants During the Most Recently Completed Financial Period

The Corporation did not grant SARs during the most recently completed financial year to the Named Executive Officers.

The following table below sets forth the options granted to Directors and Executive Officers under the Current Stock Option Plan to purchase Common Shares of the Corporation granted during the financial period ended December 31, 2009.

Name	Securities Under Options Granted (#)	% of Total Options Granted to Employees in Financial Period	Exercise Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
Harry J. Fleming <i>CEO and Director</i>	150,000 25,000	9.57%	CDN\$0.68 CDN\$0.24	CDN\$0.85 CDN\$0.24	02/23/2014 12/01/2014
Douglas Samuelson <i>General Counsel, Secretary and Director</i>	125,000 25,000	8.21%	CDN\$0.68 CDN\$0.24	CDN\$0.85 CDN\$0.24	02/23/2014 12/01/2014
Robert N. Kreamer <i>President and Director</i>	50,000 50,000 500,000 25,000	34.19%	CDN\$0.19 CDN\$0.265 CDN\$0.22 CDN\$0.24	CDN\$0.23 CDN\$0.33 CDN\$0.22 CDN\$0.24	03/30/2014 05/20/2014 09/28/2014 12/01/2014
Kenneth J. Klein <i>Director</i>	25,000 25,000	2.73%	CDN\$0.265 CDN\$0.27	CDN\$0.33 CDN\$0.27	05/20/2014 12/17/2014
Thomas O. Foster III <i>Director</i>	100,000 25,000	6.84%	CDN\$0.265 CDN\$0.27	CDN\$0.33 CDN\$0.27	05/20/2014 12/17/2014
Martin C. Spake <i>Chief Financial Officer</i>	75,000 25,000	5.47%	CDN\$0.235 CDN\$0.24	CDN\$0.235 CDN\$0.24	09/10/2014 12/01/2014

Aggregate Option Exercises During the Most Recently Completed Financial Period and Financial Period-End Option Values

The following table sets out options exercised by the Named Executive Officers and Directors during the financial period ended December 31, 2009 and the financial period-end value of unexercised options on an aggregate basis.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$) ⁽¹⁾	Unexercised Options at December 31, 2009 (#)		Value of Unexercised in the Money Options at December 31, 2009 (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Harry J. Fleming <i>CEO and Director</i>	Nil	Nil	150,000	25,000	Nil	CDN\$1,500
Robert N. Kreamer <i>President and Director</i>	Nil	Nil	100,000	525,000	CDN\$7,250	CDN\$41,500
Martin C. Spake <i>Chief Financial Officer</i>	Nil	Nil	Nil	100,000	Nil	CDN\$6,375
Douglas Samuelson <i>General Counsel, Secretary and Director</i>	100,000	CDN\$75,000	125,000	25,000	Nil	CDN\$1,500

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$) ⁽¹⁾	Unexercised Options at December 31, 2009 (#)		Value of Unexercised in the Money Options at December 31, 2009 (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Kenneth J. Klein <i>Director</i>	Nil	Nil	150,000	Nil	CDN\$1,625	Nil
Thomas O. Foster, III <i>Director</i>	Nil	Nil	125,000	Nil	CDN\$4,250	Nil

- (1) The Corporation's common shares were halted on the TSX Venture Exchange on June 30, 2008 and resumed trading on February 25, 2009, the date on which the Corporation completed its Qualifying Transaction. The last quoted market price prior to the halt of the Corporation's common shares was \$0.85.

Termination of Employment, Change in Responsibilities and Employment Contracts

Employment Agreement with J. Peter Lynch

Effective May 24, 2009, the Corporation terminated its Employment Agreement with J. Peter Lynch

Employment Agreement with Martin C. Spake

Effective September 9, 2009, Martin C. Spake was named Chief Financial Officer of the Corporation replacing Buu Q. Tran who had been named Interim CFO on March 30, 2009. The Corporation entered into a two year employment agreement with Mr. Spake under which he would serve as Chief Financial Officer. Mr. Spake's compensation under the agreement is an annual salary of \$150,000 during the first year and a minimum of \$165,000 annual salary during the second year. Pursuant to Mr. Spake's employment agreement, he was granted an option to purchase 75,000 shares of the Corporation's common stock.

Agreements with Robert N. Kreamer

Effective March 31, 2009, the Corporation signed an Independent Contractor Services Agreement with Robert N. Kreamer, under which the Corporation paid \$33,787 in consulting fees to perform a strategic industry analysis and overview. Effective June 1, 2009, the Corporation entered into a second Independent Contractor Services Agreement with Mr. Kreamer, under which Mr. Kreamer acted as the Corporation's Interim President and the Corporation paid approximately \$43,000 in consulting fees.

Effective January 1, 2010, the Corporation entered into an employment agreement with Mr. Kreamer to join the Corporation on a full time basis as its President. Mr. Kreamer's initial salary under the agreement is \$150,000, with salary increases if certain defined milestones are met, plus annual bonuses based on the financial performance of the Corporation.

Reassignment of Chief Operations Officer

Effective November 4, 2009, Steve Vella was named Director, Business Development and ceased acting as Chief Operations Officer of the Company.

Employment Agreement with Harry J. Fleming

Effective January 1, 2010, the Corporation entered into an employment agreement with Harry J. Fleming, as the Corporation's Chief Executive Officer. Mr. Fleming's initial salary is \$150,000, with salary increases based upon occurrence of certain conditions, plus annual bonuses based on the financial performance of the Corporation.

Employment Agreement with Douglas A. Samuelson

Effective May 1, 2010, the Corporation entered into an employment agreement with Douglas A. Samuelson, as the Corporation's Executive Vice President and General Counsel. Mr. Samuelson's initial salary is \$120,000, with salary increases based upon occurrence of certain conditions, plus annual bonuses at the discretion of the Board of Directors of the Corporation.

Compensation of Directors

Except as otherwise disclosed herein or in the Corporation's financial statements for the most recently completed financial year, during the most recently completed financial year there were no standard arrangements, or other arrangements in addition to or in lieu of standard arrangements, under which the Directors of the Corporation were compensated by the Corporation or any subsidiary thereof for services in their capacity as Directors (including any additional amounts payable for committee participation or special assignments) or for services as consultants or experts, other than the granting of stock options.

During the period ended December 31, 2009, the Corporation paid to our CEO, \$30,062 for legal services rendered prior to the qualifying transaction on February 23, 2009.

During the period ended December 31, 2009, the Corporation paid to our General Counsel, \$28,525 for legal services rendered prior to the qualifying transaction on February 23, 2009.

During the period ended December 31, 2009, the Corporation paid to our President, \$96,287 for consulting service, including a strategic industry analysis and overview.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Indebtedness of Directors and Officers

There is no indebtedness of any Director, executive officer, proposed nominee for election as a Director or associate of them, to or guaranteed or supported by the Corporation either pursuant to an employee stock purchase program of the Corporation or otherwise, during the most recently completed financial year.

Directors' and Officers' Liability Insurance and Indemnification

The Corporation has purchased liability insurance for its directors and officers. The aggregate premium for such insurance for the one year period from November 7, 2009 to November 7, 2010 was \$21,513, no part of which is payable by the directors or officers of the Corporation. The aggregate annual insurance coverage under the policy is limited to \$5,000,000 per policy year. There is a \$25,000 deductible provision for claims made in certain circumstances.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, "Informed Person" means (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities. Except as disclosed below and in relation to the Corporation's Qualifying Transaction and Private Placements (See "Private Placements and Acquisitions" above), elsewhere herein or in the Notes to the Corporation's financial statements for the financial year ended December 31, 2009, none of:

- a) the Informed Persons of the Corporation;

- b) the proposed nominees for election as a director of the Corporation; or
- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

Except as disclosed in this Circular or the Corporation's financial statements for the financial year ended December 31, 2009, and in relation to the Corporation's Qualifying Transaction (See "Private Placements and Acquisitions" above), no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

The Insiders of the Corporation and their respective Associates and Affiliates currently hold 10,249,476 Common Shares representing 31.49% of the total issued and outstanding Common Shares.

ELECTION OF DIRECTORS

The Board has responsibility for the stewardship of the Corporation. The Board's key functions are to approve direction of corporate strategy, supervise risk management, evaluate the performance of the Corporation and its senior management and, concurrently, maintain full accountability to Shareholders. In performing these tasks the Board acts independently from management.

All proposed Directors are nominated on the basis of experience and professional expertise. The Chairman facilitates the process and all Directors participate fully in discussions and the final decision.

The Articles of the Corporation provide for a minimum of three directors. The Board currently consists of five positions. The Shareholders of the Corporation will be asked to pass an ordinary resolution to fix the number of Directors for the ensuing year at six (6). The Corporation currently has five directors and six directors will be elected at the Meeting. Unless authority to do so is withheld, the individuals named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting or any adjournment thereof, it is intended that discretionary authority will be exercised by the individuals named in the enclosed form of proxy to vote the proxy for the election of any other individual or individuals in place of any nominee or nominees unable to serve. Each director elected will hold office until the next annual general meeting of Shareholders or his successor is appointed, unless his office is earlier vacated in accordance with the Corporation's Articles and the Business Corporations Act.

The statement as to the Common Shares beneficially owned, directly or indirectly or controlled or directed, directly or indirectly by the nominees for election as directors is in each instance based upon information furnished by the nominees. The following table sets forth certain information pertaining to the nominees for election as directors at the Meeting:

Name and Residence	Position with the Corporation	Present Principal Occupation or Employment	Number of Common Shares Beneficially Owned Directly or Indirectly or Controlled or Directed, Directly or Indirectly ⁽²⁾⁽³⁾	Percentage of Common Shares ⁽⁴⁾	Director Since
Harry J. Fleming Houston, Texas	Chief Executive Officer and Director	Chief Executive Officer of the Corporation	11,220,528 ⁽⁵⁾	27.16%	October 2007
Robert N. Kreamer Los Angeles, California	President and Director	President of the Corporation	725,000	1.75%	March 30, 2009
Douglas A. Samuelson ⁽¹⁾ Houston, Texas	Executive Vice President, Secretary, General Counsel and Director	Executive Vice President and General Counsel of the Corporation	478,292 ⁽⁵⁾	1.15%	October 2007
Thomas O. Foster, III ⁽¹⁾ Houston, Texas	Director	Self-Employed Attorney	231,080	0.56%	May 11, 2009
Kenneth J. Klein ⁽¹⁾ Katy, Texas	Director	Senior Vice President and Chief Financial Officer of The Menninger Clinic	150,000	0.36%	May 15, 2008
Jim Havelka Kingwood, Texas	Proposed Director	Managing Director at Alvarez & Marsal	456,400	1.10%	N/A

Notes:

- (1) Current member of the Corporation's Audit Committee. The Corporation's audit committee is Kenneth J. Klein, Douglas A. Samuelson and Thomas O. Foster, III.
- (2) The proposed directors also beneficially own, directly or indirectly, or control or direct, directly or indirectly, the following options to acquire Common Shares:

Director	Number of Options to Purchase Common Shares
Harry J. Fleming	175,000
Robert N. Kreamer	625,000
Douglas Samuelson	150,000
Thomas O. Foster, III	125,000
Kenneth J. Klein	150,000

- (3) The proposed directors also beneficially own, directly or indirectly, or control or direct, directly or indirectly, the following warrants to acquire Common Shares:

Director	Number of Warrants to Purchase Common Shares
Harry J. Fleming	1,985,689
Robert N. Kreamer	Nil
Douglas Samuelson	4,949
Thomas O. Foster, III	Nil
Kenneth J. Klein	Nil
Jim Havelka	206,700

- (4) Based on 41,312,277 fully diluted shares as of May 20, 2010.
- (5) Includes common shares directly owned by spouse.

Harry J. Fleming

As a lawyer Mr. Fleming has focused on emerging growth companies, mergers and acquisitions, strategic business planning and alliances and investor relations calling on his legal experience in corporate finance and securities law. Mr. Fleming's background includes venture capital representation, business strategy consulting, public company representation, mergers and acquisitions with high tech firms in Houston and Boston. With over twenty years of experience at law firms in Houston and Boston Mr. Fleming maintains the highest rating (A-V) of U.S. attorneys by Martindale-Hubbell. Mr. Fleming has also acted as General Counsel and CFO for several companies with an emphasis on start-up and growth strategies. Mr. Fleming received his Juris Doctorate from the University of Houston Law Center in 1983. He was awarded a M.B.A. in finance from The Carroll Graduate School of Management at Boston College in 1999. He is admitted to practice law in the State of Texas and the Commonwealth of Massachusetts, and is admitted to practice before the U.S. Supreme Court.

Robert N. "Nat" Kreamer

Mr. Kreamer was the founder, President, and Chief Operating Officer of SunRun, the nation's leading provider of home solar financing. Before founding SunRun, Kreamer worked in power industry consulting at PriceWaterhouseCoopers and clean energy investing as well as energy trading at Enron Corporation. He has an MBA from Rice University and a BS from Northwestern University. An officer in the US Navy (Reserves), Kreamer is an Afghanistan war veteran and recipient of the Bronze Star Medal. He is also an Advisor at the Madison Policy Forum, which promotes non-partisan dialog about timely national security issues.

Douglas Samuelson

Mr. Samuelson brings over 25 years of legal experience to the Corporation. Prior to joining the Corporation, Mr. Samuelson was a principal with Cokinos, Bosien & Young, a mid-sized law firm in Houston, Texas focusing on business and construction related matters. He is Board Certified in Civil Trial Law by the Texas Board of Legal Specialization and maintains the highest rating (A-V) of U.S. attorneys by Martindale-Hubbell. Samuelson holds a Juris Doctor degree from the University of Houston and a Bachelor of Science degree from the University of Wisconsin-River Falls.

Thomas O. Foster III

As an attorney, Mr. Foster has focused his practice on multi-state and local taxation, federal and international taxation, and tax planning for individuals and entities. Prior to entering private practice, Mr. Foster worked for Exxon Corporation for thirty years with an emphasis on federal and cross border taxation issues. He obtained his Juris Doctor degree from Baylor University School of Law in 1964 and a B.B.A degree from Baylor University in 1961. In 1965, Mr. Foster received an L.L.M. degree in taxation from New York University. Mr. Foster was admitted to the State Bar of Texas in 1964 and is admitted to practice before the U.S. Supreme Court. Mr. Foster was licensed as a Certified Public Accountant by the State of Texas in 1968.

Kenneth J. Klein

Mr. Klein serves as the Senior Vice President and Chief Financial Officer of the Menninger Clinic. Mr. Klein formerly served as the Chief Financial Officer and Corporate Secretary of Northstar Healthcare Inc. Mr. Klein has more than 19 years of finance and healthcare experience and has held positions with several other healthcare organizations in Houston, Texas, including Memorial Hermann Southeast Hospital, Texas Children's Hospital, Castle Dental Centers and Fisher Healthcare. Mr. Klein earned his Bachelor of Science degree in Accounting from Sacred Heart University in Fairfield, Connecticut and is a Certified Public Accountant (Texas). In addition, Mr. Klein is an active member of Healthcare Financial Management Association.

Jim Havelka

Mr. Havelka is the Managing Director and National Practice Leader for the Government and Infrastructure practice at Alvarez & Marsal, a global professional services firm. Prior to his current role at Alvarez & Marsal, Mr. Havelka spent 8 years with BearingPoint (now Deloitte) most recently as a Senior Vice President responsible for the Sales and Strategic Development Segment within the \$1.6B Global Public Services business unit. Mr. Havelka's educational background includes an MBA from Rice University and BS and MS degrees in Mechanical Engineering from Texas A&M University, as well as executive education from Harvard, Stanford and Wharton Business schools.

Corporate Cease Trade Orders or Bankruptcies

No director, proposed director, or executive officer of the Corporation, or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is, or has been within the past ten years, a director, officer, Insider or promoter of any other issuer that, while such person was acting in that capacity, was the subject of a cease trade order or similar order, or an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than thirty consecutive days, or 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.

Penalties or Sanctions

No director, proposed director, or executive officer of the Corporation, or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

No director, proposed director or executive officer of the Corporation, or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, or personal holding company of any such person, has within the past ten years, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Conflicts of Interest

The directors are required by law to act honestly and in good faith with a view to the best interest of the Corporation and to disclose any interests that they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its directors, and officers or other members of management of the Corporation or any proposed director, officer or other member of management as a result of their outside business interests, except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

Management recommends that the shareholders vote in favor of the election of the proposed nominees as directors of the Corporation for the ensuing year. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the nominees named in this Circular.

PRESENTATION OF FINANCIAL STATEMENTS AND REPORT TO SHAREHOLDERS

The Corporation's Audited Consolidated Annual Financial Statements covering the financial year ended December 31, 2009 and Management Discussion and Analysis in respect thereof and the Corporation's Report to the Shareholders, are being mailed to the Shareholders of record together with this Notice of Meeting and Circular and the form of Proxy, and will be presented to the Shareholders at the Meeting.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights⁽¹⁾	Weighted-average exercise price of outstanding options, warrants and rights⁽¹⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾
Equity compensation plans approved by security holders ⁽²⁾	1,862,500	CDN\$0.404	1,392,028
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	1,862,500	CDN\$0.404	1,392,028

(1) The foregoing information is presented as of May 20, 2010.

(2) Represents the 2009 Stock Option Plan, approved by security holders on May 11, 2009, which reserves an aggregate of 10% of the issued and outstanding common shares for issue pursuant to stock options.

APPOINTMENT AND REMUNERATION OF AUDITORS

At the Meeting, Calvetti, Ferguson & Wagner, P.C., located at 13105 Northwest Freeway, Suite 1250, Houston, TX 77040 will be recommended by Management and the Board of Directors for appointment as auditors of the Corporation at remuneration to be fixed by the directors. Effective December 23, 2009, Calvetti, Ferguson & Wagner, P.C., was appointed the Corporation's auditors, and BDO Dunwoody, LLP, Chartered Accountants, having served as the Corporation's auditors since November 10, 2008, resigned. There were no issues, disputes or problems between BDO Dunwoody, LLP and the Corporation which led to BDO Dunwoody, LLP's resignation. See "Schedule A – Change of Auditor Reporting Package" annexed hereto which contains a notice of change of auditor (the "Notice") and letters from both the resigning and succeeding auditors agreeing with the statements made in the Notice.

Management recommends that the shareholders vote in favor of the appointment of Calvetti, Ferguson & Wagner, P.C., as the Corporation's auditors for the ensuing year and grant the Board of Directors the authority to determine the remuneration to be paid to the auditor. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Calvetti, Ferguson & Wagner, P.C., to act as the Corporation's auditors until the close of its next annual general meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

APPROVAL OF STOCK OPTION PLAN

Under TSX Venture Exchange (the “Exchange”) policies, a “rolling” stock option plan which sets the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares at the time of the grant must be approved and ratified by shareholders on an annual basis.

In 2009, shareholders approved the “rolling” stock option plan (the “**2009 Stock Option Plan**”), as adopted by the Board of Directors of the Corporation on March 25, 2009, replacing the previous “fixed” plan. Under the Corporation’s 2009 Stock Option Plan, options may be granted in favor of directors, officers, employees, and consultants of the Corporation and its related entities. The purpose of the Corporation’s 2009 Stock Option Plan is to attract and motivate eligible persons by affording such persons with the opportunity to acquire an equity interest in the Corporation through rights granted to purchase common shares of the Corporation.

Currently, the 2009 Stock Option Plan would provide for the issuance of 3,254,528 Common Shares, being 10% of the issued and outstanding Common Shares of the Corporation. As of the Circular Date there are 32,545,280 Common Shares issued and outstanding and stock options to purchase an aggregate of 1,862,500 Common Shares outstanding. If approved, there will be 1,392,028 Common Shares available for issuance under the 2009 Stock Option Plan.

The 2009 Stock Option Plan has been prepared by the Corporation in accordance with the policies of the Exchange and is in the form of a “rolling” stock option plan reserving for issuance upon the exercise of options granted pursuant to the plan a maximum of 10% of the issued and outstanding shares of the Corporation at any time. The 2009 Stock Option Plan is administered by the Board of Directors of the Corporation. Subject to the provisions of the 2009 Stock Option Plan, the directors in their sole discretion will determine all options to be granted pursuant to the 2009 Stock Option Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The directors will comply with all Exchange and other regulatory requirements in granting options and otherwise administering the 2009 Stock Option Plan. A summary of some of the details of the 2009 Stock Option Plan are set forth below:

- the 2009 Stock Option Plan reserves, for issue pursuant to stock options, a maximum number of common shares equal to 10% of the outstanding common shares of the Corporation from time to time, with no mandatory vesting provisions;
- the number of common shares reserved for issue to any one person in any 12 month period under the 2009 Stock Option Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- the number of common shares reserved for issue to any Consultant (as defined by the Exchange) in any 12 month period under the 2009 Stock Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the aggregate number of common shares reserved for issue to any Employee (as defined by the Exchange) conducting Investor Relations Activities (as defined by the Exchange) in any 12 month period under the 2009 Stock Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- the number of common shares issued to any one person within a 12 month period on the exercise of stock options may not exceed 5% of the outstanding common shares at the time of exercise without Disinterested Shareholder Approval;
- the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange);
- stock options may have a term not exceeding ten years;

- stock options are non-assignable and non-transferable; and
- the 2009 Stock Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the common shares, or an amalgamation, merger or other relevant change in the Corporation's corporate structure, or any other relevant change in the Corporation's capitalization.

A copy of the 2009 Stock Option Plan is attached as Schedule "B".

Under TSXV Policy 4.4, rolling stock option plans must receive Shareholder approval yearly, at the Issuer's Annual General Meeting. Accordingly, Shareholders will be asked to approve the following resolution, which must be passed by a majority of the votes cast by Shareholders who vote at the Meeting either in person or by proxy:

"BE IT RESOLVED THAT:

1. The adoption of the Corporation's 2009 Stock Option Plan be ratified, confirmed and approved;
2. The Board of Directors be authorized on behalf of the Corporation to make any amendments to the 2009 Stock Option Plan as may be required by regulatory authorities, without further approval of the Shareholders of the Corporation, in order to ensure adoption of the 2009 Stock Option Plan; and
3. Any one director or officer of the Corporation be and he is hereby authorized and directed to do all such acts and things and to execute and deliver under the corporate seal or otherwise all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution."

Unless otherwise indicated, the persons named in the accompanying proxy intend to vote for the resolution to ratify, confirm and approve the 2009 Stock Option Plan (including any amendment or variation made at the Meeting) on any ballot requested or required by law. In order for the resolution to pass, the proposal requires the approval of the majority of the votes cast, without taking into consideration the common shares held by insiders to whom options may be granted under the 2009 Stock Option Plan.

OTHER MATTERS

The Corporation knows of no other matters to come before the Meeting other than those set forth in this Information Circular. **However, if other matters which are not now known to Management should properly come before the Meeting, the proxy will be voted on such matters by the persons so designated in their discretion.**

CORPORATE GOVERNANCE

National Policy 58-201 – Corporate Governance Guidelines and National Instrument 58-101 – Disclosure of Corporate Governance Practices, which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

1. **Board of Directors** – The Board facilitates its exercise of independent supervision over the Corporation’s management through frequent communications with management and meeting’s of the Board.

The Board considers that Kenneth J. Klein and Thomas Foster are independent according to the definition of “independence” set out in Multilateral Instrument 52-110 as it applies to the Board. The Board considers that Harry J. Fleming, Robert N. Kreamer, and Douglas Samuelson are not independent in that they are executive officers of the Corporation or its subsidiary.

2. **Directorships** – Harry J. Fleming is a former director of Quizam Media, Inc., a company whose shares are listed on the TSXV. Kenneth J. Klein is the former Chief Financial Officer of Northstar Healthcare Inc., a company whose shares are listed on the TSX.
3. **Orientation and Continuing Education** – The Board has not adopted a formal policy on the orientation and continuing education of new and current directors. When a new director is appointed, the Board delegates individual directors the responsibility for providing an orientation and education program for any new director. This may be delivered through informal meetings between the new directors and the Board and senior management, complemented by presentations on the main areas of the Corporation’s business. When required the Board may arrange for topical seminars to be provided to members of the Board or committees of the Board. Such seminars may be provided by one or more members of the Board and management or by external professionals.
4. **Ethical Business Conduct** – The directors are required to abide by all relevant regulatory rules and regulations. The Board monitors compliance by requiring directors and officers to declare any conflicts of interest or any other situation that could represent a potential violation of any applicable rules and regulations. When applicable, the Board will receive reports from management regarding any allegations of unethical conduct.
5. **Nomination of Directors** – The Board performs the functions of a nominating committee with respect to appointment of directors. The Board believes that this is a practical approach at this stage of the Corporation’s development. While there are not specific criteria for board membership, the Corporation attempts to attract and maintain directors with business knowledge, which assists in guiding management of the Corporation.
6. **Compensation** – The directors of the Corporation did not receive any compensation but do receive options to purchase common shares. During fiscal year 2009, options to purchase 1,125,000 shares were granted to directors of the Corporation. Harry J. Fleming and Douglas Samuelson, who also serve as officers of the Corporation, began receiving salaries upon the completion of the Corporation’s Qualifying Transaction. Robert N. Kreamer, who also serves as an officer of the Corporation, began receiving a salary effective January 1, 2010. See “Executive Compensation”. The board performs the functions of a compensation committee. The board believes that this is a practical approach at this stage of the Corporation’s development. The executive compensation of Mr. Fleming, Mr. Kreamer and Mr. Samuelson is decided by the independent and disinterested members of the Board.
7. **Other Board Committees** – The only standing committee of the Board is the Audit Committee. The Board does not have any other committees. Given the size of the Corporation and the nature of its activities, the Board does not see fit at this time to create the other committees.
8. **Assessments** – The Board does not have any formal policies to evaluate the effectiveness of the Board, the Audit Committee and the individual directors. The Board may appoint a special committee of the directors to evaluate the Board, its committees and assess the contribution of its individual directors and to recommend any modifications to the functioning and governance of the Board and its committees. To date, the Board has not appointed any such special committees of directors to perform such analysis.

AUDIT COMMITTEE

National Instrument 52-110 of the Canadian Securities Administrators (“NI 52-110”) requires the Corporation, as a venture issuer, to disclose annually in the Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

An audit committee charter, the text of which is attached as Schedule “C” to this Information Circular, governs the Corporation’s audit committee.

The Corporation’s audit committee is currently comprised of three (3) directors, Kenneth J. Klein, Douglas Samuelson, and Thomas O. Foster, III. As defined in NI 52-110, Kenneth J. Klein and Thomas O. Foster, III are “independent”. All of the members are financially literate as defined in NI 52-110.

Since the commencement of the Corporation’s most recently completed financial year, the Corporation’s Board of Directors have not failed to adopt a recommendation of the audit committee to nominate or compensation an external auditor.

The relevant education and/or experience of each member of the Audit Committee are as follows:

(1) Kenneth J. Klein

Mr. Klein Mr. Klein is Senior Vice President and Chief Financial Officer of the Menninger Clinic, a specialty hospital in Houston, Texas and formerly served as the Chief Financial Officer and Corporate Secretary of Northstar Healthcare Inc. (TSX:NHC). Mr. Klein has more than 19 years of finance and healthcare experience. Mr. Klein earned his Bachelor of Science degree in Accounting from Sacred Heart University in Fairfield, Connecticut and is a Certified Public Accountant (Texas).

(2) Douglas Samuelson

Mr. Samuelson is an attorney licensed in the state of Texas and brings over 25 years of legal experience to the Corporation. Prior to joining Acro, Mr. Samuelson was a principal with a mid-sized law firm in Houston, Texas focusing on business, commercial and construction related matters. He is Board Certified in Civil Trial Law by the Texas Board of Legal Specialization. Samuelson holds a Juris Doctor degree from the University of Houston and a Bachelor of Science degree from the University of Wisconsin-River Falls.

(3) Thomas O. Foster, III

As an attorney, Mr. Foster has focused his practice on multi-state and local taxation, federal and international taxation, and tax planning for individuals and entities. Prior to entering private practice, Mr. Foster worked for Exxon Corporation for thirty years with an emphasis on federal and cross border taxation issues. He obtained his Juris Doctor degree from Baylor University School of Law in 1964 and a B.B.A degree from Baylor University in 1961. In 1965, Mr. Foster received an L.L.M. degree in taxation from New York University. Mr. Foster was admitted to the State Bar of Texas in 1964 and is admitted to practice before the U.S. Supreme Court. Mr. Foster was licensed as a Certified Public Accountant by the State of Texas in 1968.

Since the effective date of NI 52-110, the Corporation has not relied on the exemption contained in sections 2.4 or 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. Section 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.

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 Corporation's Board of Directors, and where applicable the audit committee, on a case by case basis.

In the following table, "audit fees" are fees billed by the Corporation's external auditor for services provided in auditing the Corporation's annual financial statements for the subject year. "Audit-related fees" are 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 Corporation'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 incurred by the Corporation for its auditors for each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 31, 2009	\$65,000	\$21,952	\$19,519	\$21,517
November 30, 2008	CDN\$15,840	\$10,560CDN	Nil	CDN\$243,434

The Corporation is relying on the exemption provided by section 6.1 of NI 52-110 that provides that the Corporation, 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.

General

The consolidated financial statements of the Corporation for the financial period ended December 31, 2009, together with the report of the auditors thereon, will be presented to the Shareholders at the Meeting for their consideration. Receipt at such Meeting of the auditor's report and the Corporation's financial statements for its last completed fiscal year will not constitute approval or disapproval of any matters referred to therein.

ANNUAL INFORMATION FORM

On April 30, 2010, the Corporation filed an Annual Information Form for the year ended December 31, 2009.

ADDITIONAL INFORMATION

Copies of the Corporation's 2009 annual report containing the Corporation's audited consolidated financial statements and management's discussion and analysis for the financial period ended December 31, 2009, Annual Information Form for the period ended December 31, 2009, the Corporation's interim financial statements and management's discussion and analysis for the periods subsequent to the end of the Corporation's financial period ended December 31, 2009 and this Circular may be obtained by writing to the Chief Financial Officer of the Corporation at 10700 Richmond Ave., Suite 275, Houston, Texas 77042.

Under NI 54-101, a person or company who wishes to receive interim financial statements from the Corporation must deliver a written request for such material to the Corporation, together with a signed statement that the person or company is the owner of securities (other than debt instruments) of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed return card, together with the completed form of proxy, in the addressed envelope provided to the Corporation's transfer agent, Computershare Investor Services Inc., at 100 University Ave, 9th Floor, Toronto, Ontario M5J 2Y1. The Corporation will maintain a supplemental mailing list of persons and companies wishing to receive interim financial statements.

Additional information relating to the Corporation may be found on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for its most recently completed financial period.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Circular and the sending of it to Shareholders of the Corporation, to each director of the Corporation, to the auditors of the Corporation and to the appropriate governmental and regulatory authorities have been approved by the Board of Directors of the Corporation.

Dated as of May 20, 2010.

ACRO ENERGY TECHNOLOGIES CORP.

“Harry J. Fleming”

Harry J. Fleming
Chairman and Chief Executive Officer

SCHEDULE A – CHANGE OF AUDITOR REPORTING PACKAGE



To: British Columbia Securities Commission
Alberta Securities Commission

And to: BDO Dunwoody LLP
Royal Bank Plaza
P.O. Box 32
Toronto, Ontario M5J 2J8

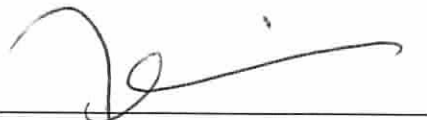
Calvetti, Ferguson & Wagner, PC
13105 Northwest Freeway, Suite 1250
Houston, TX 77040

Acro Energy Technologies Corp., (the "Company") hereby gives notice pursuant to Part 4 of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102") as set forth below.

1. On December 23, 2009, BDO Dunwoody LLP, at the request of the Company has resigned as auditor of the Company.
2. Both the Audit Committee of the Board of Directors and the Board of Directors of the Company have approved the resignation of BDO Dunwoody LLP and recommend the appointment of Calvetti, Ferguson & Wagner, PC as successor auditors.
3. There were no reservations in the auditor's reports on the Company's financial statements for the fiscal year ended November 30, 2008.
4. In the opinion of the Company, as at the date hereof, there have been no reportable events as defined by NI 51-102.

Date this 23 day of December, 2009.

By: _____



Harry J. Fleming
Chief Executive Officer



BDO Dunwoody LLP
Chartered Accountants
and Advisors

Royal Bank Plaza
P.O. Box 32
Toronto Ontario Canada M5J 2J8
Telephone: 416.865.0200
Fax: 416.865.0887

www.bdo.ca

December 29, 2009

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
9th Floor, 701 West Georgia Street
Vancouver, British Columbia
V7Y 1L2

Alberta Securities Commission
4th Floor, 300-5th Avenue SW
Calgary, Alberta
T2P 3C4

Dear Sirs/Mesdames:

**Re: Acro Energy Technologies Corp. (the "Corporation")
Notice Pursuant to N1 51-102 of Change of Auditor**

As required by National Instrument 51-102, Continuous Disclosure Obligations, we have reviewed the information contained in the Corporation's Notice of Change of Auditor dated December 23, 2009 and agree with the information contained therein, based upon our knowledge of the information relating to the said Notice and of the Corporation at this time.

Yours truly,

A handwritten signature in black ink that reads "BDO Dunwoody LLP". The signature is written in a cursive, flowing style.

Chartered Accountants, Licensed Public Accountants



December 29, 2009

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
9th Floor, 701 West Georgia Street
Vancouver, British Columbia
V7Y1L2

Alberta Securities Commission
4th Floor, 300-5th Avenue SW
Calgary, Alberta
T2P3C4

TSX Venture Exchange
P.O. Box 450
3rd Floor, 130 King Street W.
Toronto, ON
M5X 1J2

Dear Sirs/Mesdames:

Acro Energy Technologies Corp. (the "Corporation")
Notice Pursuant to N1 51-102 of Change of Auditor dated December 23, 2009

As required by National Instrument 51-102 – Continuous Disclosure Obligations, we confirm that we have reviewed the captioned Notice of Change of Auditor with respect to our appointment as the auditor of the Corporation. Based on our knowledge of the Corporation at this date, we agree with the information contained in the Notice of Change of Auditor.

Yours truly,

Calvetti, Ferguson & Wagner, P.C.
Calvetti, Ferguson & Wagner, P.C.

SCHEDULE B – 2009 STOCK OPTION PLAN

ACRO ENERGY TECHNOLOGIES CORP.

2009 STOCK OPTION PLAN

1. STATEMENT OF PURPOSE

1.1 **Principal Purposes** - The principal purposes of the Plan are to provide Acro Energy Technologies Corp. (“the Company”) with the advantages of the incentives inherent in share ownership on the part of employees, officers, directors and consultants responsible for the continued success of the Company; to create in such individuals a proprietary interest in, and a greater concern for, the welfare and success of the Company; to encourage such individuals to remain with the Company; and to attract new employees, officers, directors and consultants to the Company.

1.2 **Benefit to Shareholders** - The Plan is expected to benefit shareholders by enabling the Company to attract and retain skilled and motivated personnel by offering such personnel an opportunity to share in any increase in value of the Shares resulting from their efforts.

2. INTERPRETATION

2.1 **Defined Terms** - For the purposes of this Plan, the following terms shall have the following meanings:

- (a) **"Act"** means the Securities Act of British Columbia and Alberta where applicable and as amended from time to time;
- (b) **"Associate"** shall have the meaning ascribed to such term in the applicable Act;
- (c) **"Board"** means the Board of Directors of the Company;
- (d) **"Change in Control"** means:
 - (i) a takeover bid (as defined in the Act), which is successful in acquiring Shares,
 - (ii) the change of control of the Board resulting from the election by the shareholders of the Company of less than a majority of the persons nominated for election by management of the Company,
 - (iii) the sale of all or substantially all the assets of the Company,
 - (iv) the sale, exchange or other disposition of a majority of the outstanding Shares in a single transaction or series of related transactions,
 - (v) the dissolution of the Company's business or the liquidation of its assets,
 - (vi) a merger, amalgamation or arrangement of the Company in a transaction or series of transactions in which the Company's shareholders receive less than 51% of the outstanding shares of the new or continuing corporation, or
 - (vii) the acquisition, directly or indirectly, through one transaction or a series of transactions, by any Person, of an aggregate of more than 50% of the outstanding Shares;
- (e) **"Committee"** means a committee of the Board appointed in accordance with this Plan, or if no such committee is appointed, the Board itself;
- (f) **"Company"** means Acro Energy Technologies Corp., a company incorporated under the laws of British Columbia;

- (g) **"Consultant"** means an individual, other than an Employee, senior officer or director of the Company or a Subsidiary Company, or a Consultant Company, who:
 - (i) provides ongoing consulting, technical, management or other services to the Company or a Subsidiary Company, other than services provided in relation to a distribution of the Company's securities,
 - (ii) provides the services under a written contract between the Company or a Subsidiary Company and the individual or Consultant Company,
 - (iii) in the reasonable opinion of the Company spends or will spend a significant amount of time and attention on the affairs and business of the Company or a Subsidiary Company, and
 - (iv) has a relationship with the Company or a Subsidiary Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
- (h) **"Consultant Company"** means, for an individual Consultant, a company of which the individual is an employee or shareholder, or a partnership of which the individual is an employee or partner;
- (i) **"Date of Grant"** means the date specified in the Option Agreement as the date on which the Option is effectively granted;
- (j) **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
 - (i) being employed or engaged by the Company, a Subsidiary Company or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or a Subsidiary Company; or
 - (ii) acting as a director or officer of the Company or a Subsidiary Company;
- (k) **"Disinterested Shareholder Approval"** means an ordinary resolution approved by a majority of the votes cast by shareholders of the Company at a shareholders' meeting, excluding votes attaching to Shares beneficially owned by Insiders to whom Options may be granted and Associates of those persons;
- (l) **"Effective Date"** means the effective date of this Plan, which is the later of the day of its approval by the shareholders of the Company and the day of its acceptance for filing by the Exchange if such acceptance for filing is required under the rules or policies of the Exchange;
- (m) **"Eligible Person"** means:
 - (i) an Employee, senior officer or director of the Company or any Subsidiary Company;
 - (ii) a Consultant;
 - (iii) an individual providing Investor Relations Activities for the Company; or
 - (iv) a company, all of the voting securities of which are beneficially owned by one or more of the persons referred to in (i), (ii) or (iii) above.
- (n) **"Employee"** means:
 - (i) an individual who is considered an employee under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

- (ii) an individual who works full-time for the Company or a Subsidiary Company providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary Company over the details and methods of work as an employee of the Company or a Subsidiary Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or a Subsidiary Company, on a continuing and regular basis for a minimum amount of time per week, providing services normally provided by an employee and who is subject to the same control and direction by the Company or a Subsidiary Company over the details and methods of work as an employee of the Company or a Subsidiary Company, but for whom income tax deductions are not made at source;
- (o) "**Exchange**" means the stock exchange or over the counter market on which the Shares are listed;
- (p) "**Fair Market Value**" means, where the Shares are listed for trading on an Exchange, the last closing price of the Shares before the Date of Grant on the Exchange which is the principal trading market for the Shares, as may be determined for such purpose by the Committee, provided that, so long as the Shares are listed only on the TSXV, the "Fair Market Value" shall not be lower than the last closing price of the Shares before the Date of Grant less the maximum discount permitted under the policies of the TSXV;
- (q) "**Guardian**" means the guardian, if any, appointed for an Optionee;
- (r) "**Insider**" shall have the meaning ascribed to such term in the Act;
- (s) "**Investor Relations Activities**" means any activities or oral or written communications, by or on behalf of the Company or a shareholder of the Company that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:
- (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (A) to promote the sale of products or services of the Company, or
 - (B) to raise public awareness of the Company,
- that cannot reasonably be considered to promote the purchase or sale of securities of the Company,
- (ii) activities or communications necessary to comply with the requirements of:
 - (A) applicable securities laws, or
 - (B) the rules and policies of the TSXV, if the Shares are listed only on the TSXV, or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (A) the communication is only through the newspaper, magazine or publication and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer, or
 - (iv) activities or communications that may be otherwise specified by the TSXV, if the Shares are listed only on the TSXV;

- (t) "**Option**" means an option to purchase unissued Shares granted pursuant to the terms of this Plan;
- (u) "**Option Agreement**" means a written agreement between the Company and an Optionee specifying the terms of the Option being granted to the Optionee under the Plan;
- (v) "**Option Price**" means the exercise price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of Sections 6.3 and 10;
- (w) "**Optionee**" means an Eligible Person to whom an Option has been granted;
- (x) "**Person**" means a natural person, company, government or political subdivision or agency of a government; and where two or more Persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such syndicate or group shall be deemed to be a Person;
- (y) "**Plan**" means this 2010 Stock Option Plan of the Company;
- (z) "**Qualified Successor**" means a person who is entitled to ownership of an Option upon the death of an Optionee, pursuant to a will or the applicable laws of descent and distribution upon death;
- (aa) "**Shares**" means the common shares in the capital of the Company as constituted on the Date of Grant, adjusted from time to time in accordance with the provisions of Section 10;
- (ab) "**Subsidiary Company**" shall mean a company which is a subsidiary of the Company;
- (ac) "**Term**" means the period of time during which an Option may be exercised; and
- (ad) "**TSXV**" means the TSX Venture Exchange.

3. ADMINISTRATION

3.1 **Board or Committee** - The Plan shall be administered by the Board or by a Committee appointed in accordance with Section 3.2.

3.2 **Appointment of Committee** - The Board may at any time appoint a Committee, consisting of not less than three of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan. In the absence of the appointment of a Committee by the Board, the Board shall administer the Plan.

3.3 **Quorum and Voting** - A majority of the members of the Committee shall constitute a quorum, and, subject to the limitations in this Section 3, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. No member of the Committee who is a director to whom an Option may be granted may participate in the decision to grant such Option (but any such member may be counted in determining the existence of a quorum at any meeting of the Committee in which action is to be taken with respect to the granting of an Option to him).

3.4 **Powers of Board and Committee** - The Board shall from time to time authorize and approve the grant by the Company of Options under this Plan, and any Committee appointed under Section 3.2 shall have the authority to review the following matters in relation to the Plan and to make recommendations thereon to the Board;

- (a) administration of the Plan in accordance with its terms,
- (b) determination of all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the value of the Shares,

- (c) correction of any defect, supply of any information or reconciliation of any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan,
- (d) prescription, amendment and rescission of the rules and regulations relating to the administration of the Plan;
- (e) determination of the duration and purpose of leaves of absence from employment which may be granted to Optionees without constituting a termination of employment for purposes of the Plan;
- (f) with respect to the granting of Options:
 - (i) determination of the employees, officers, directors or consultants to whom Options will be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determination of the terms and provisions of the Option Agreement which shall be entered into with each Optionee (which need not be identical with the terms of any other Option Agreement) and which shall not be inconsistent with the terms of this Plan;
 - (iii) amendment of the terms and provisions of an Option Agreement, provided the Board obtains:
 - (A) the consent of the Optionee, and
 - (B) if required, the approval of any stock exchange on which the Shares are listed,
 - (iv) determination of when Options will be granted;
 - (v) determination of the number of Shares subject to each Option;
 - (vi) determination of the vesting schedule, if any, for the exercise of each Option; and
- (g) other determinations necessary or advisable for administration of the Plan.

3.5 **Obtain Approvals** - The Board will seek to obtain any regulatory, Exchange or shareholder approvals which may be required pursuant to applicable securities laws or Exchange rules.

3.6 **Administration by Committee** - The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan. In addition, the Committee's administration of the Plan shall in all respects be consistent with the Exchange policies and rules.

4. **ELIGIBILITY**

4.1 **Eligibility for Options** - Options may be granted to any Eligible Person.

4.2 **Insider Eligibility for Options** - Notwithstanding Section 4.1, if the Shares are listed only on the TSXV, grants of Options to Insiders shall be subject to the policies of the TSXV.

4.3 **No Violation of Securities Laws** - No Option shall be granted to any Optionee unless the Committee has determined that the grant of such Option and the exercise thereof by the Optionee will not violate the securities law of the jurisdiction in which the Optionee resides.

5. **SHARES SUBJECT TO THE PLAN**

5.1 **Number of Shares** - The aggregate number of Shares reserved for issuance under this Plan or any other plan of the Company, shall not exceed ten percent (10%) of the total number of issued and outstanding Shares (calculated on a non-diluted basis) unless the Company receives the permission of the stock exchange or exchanges on which the Shares are then listed to exceed such threshold.

5.2 **Expiration of Option** - If an Option expires or terminates for any reason without having been exercised in full, the unpurchased Shares subject thereto shall again be available for the purposes of the Plan.

5.3 **Reservation of Shares** - The Company will at all times reserve for issuance and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

6. **OPTION TERMS**

6.1 **Option Agreement** - Each Option granted to an Optionee shall be confirmed by the execution and delivery of an Option Agreement and the Board shall specify the following terms in each such Option Agreement:

- (a) the number of Shares subject to option pursuant to such Option, subject to the following limitations if the Shares are listed only on the TSXV:
 - (i) the number of Shares reserved for issuance pursuant to Options to any one Optionee shall not exceed 5% of the issued Shares in any 12-month period (unless the Company is designated as a "Tier 1" listed company by the TSXV and has obtained Disinterested Shareholder Approval to exceed this number),
 - (ii) the number of Shares reserved for issuance pursuant to Options to any one Consultant shall not exceed 2% of the issued Shares in any 12-month period, and
 - (iii) the aggregate number of Shares reserved for issuance pursuant to Options to those individuals conducting Investor Relations Activities shall not exceed 2% of the issued Shares in any 12-month period;
- (b) the Date of Grant;
- (c) the Term, provided that, if the Shares are listed only on the TSXV, the length of the Term shall in no event be greater than ten years following the Date of Grant, for all Optionees;
- (d) the Option Price, provided that the Option Price shall not be less than the Fair Market Value of the Shares on the Date of Grant;
- (e) subject to Section 6.2 below, any vesting schedule upon which the exercise of an Option is contingent;
- (f) if the Optionee is an Employee, Consultant or an individual providing Investor Relations Activities for the Company, a representation by the Company and the Optionee that the Optionee is a bona fide Employee, Consultant or an individual providing Investor Relations Activities for the Company, as the case may be, of the Company or a Subsidiary Company; and
- (g) such other terms and conditions as the Board deems advisable and are consistent with the purposes of this Plan.

6.2 **Vesting Schedule** - The Board, as applicable, shall have complete discretion to set the terms of any vesting schedule of each Option granted, including, without limitation, discretion to:

- (a) permit partial vesting in stated percentage amounts based on the Term of such Option;
- (b) permit full vesting after a stated period of time has passed from the Date of Grant and;
- (c) the vesting schedule shall in all circumstances comply with the requirements set out in TSX Listings Policy 4.4 Paragraphs 2.3 (b) 3(3.3).

6.3 **Amendments to Options** - Amendments to the terms of previously granted Options are subject to regulatory approval, if required. If required by the Exchange, Disinterested Shareholder Approval shall be required for any reduction in the Option Price of a previously granted Option if the Optionee is an Insider of the Company at the time of the proposed reduction in the Option Price.

6.4 **Uniformity** - Except as expressly provided herein, nothing contained in this Plan shall require that the terms and conditions of Options granted under the Plan be uniform.

7. **EXERCISE OF OPTION**

7.1 **Method of Exercise** - Subject to any limitations or conditions imposed upon an Optionee pursuant to the Option Agreement or Section 6 hereof, an Optionee may exercise an Option by giving written notice thereof, specifying the number of Shares in respect of which the Option is exercised, to the Company at its principal place of business at any time after the Date of Grant until 4:00 p.m. (Central time) on the last day of the Term, such notice to be accompanied by full payment of the aggregate Option Price to the extent the Option is so exercised. Such payment shall be in lawful money (Canadian funds or the equivalent in U.S. funds) by cash, certified check, bank draft or wire transfer. Payment by certified check made payable to the Company in the amount of the aggregate Option Price shall constitute payment of such Option Price unless the check is not honored upon presentation, in which case the Option shall not have been validly exercised.

7.2 **Issuance of Certificates** - Not later than the third business day after exercise of an Option in accordance with Section 7.1, the Company shall issue and deliver to the Optionee a certificate or certificates evidencing the Shares with respect to which the Option has been exercised. Until the issuance of such certificate or certificates, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the certificate is issued, except as provided by Section 10 hereof.

7.3 **Compliance with U.S. Securities Laws** - As a condition to the exercise of an Option, the Board may require the Optionee to represent and warrant in writing at the time of such exercise that the Shares are being purchased only for investment and without any then-present intention to sell or distribute such Shares. At the option of the Board, a stop transfer order against such Shares may be placed on the stock books and records of the Company and a legend, indicating that the stock may not be pledged, sold or otherwise transferred unless an opinion of counsel is provided stating that such transfer is not in violation of any applicable law or regulation, may be stamped on the certificates representing such Shares in order to assure an exemption from registration. The Board may also require such other documentation as may from time to time be necessary to comply with United States federal and state securities laws. The Company has no obligation to undertake registration of Options or the Shares issuable upon the exercise of the Options.

8. **TRANSFERABILITY OF OPTIONS**

8.1 **Non-Transferable/Legending** - Except as permitted by applicable securities laws and the policies of the Exchange, and as provided otherwise in this Section 8, Options are non-assignable and non-transferable. If the Shares are listed only on the TSXV, then, in addition to any resale restrictions under applicable securities laws, the Option Agreement and the certificates representing the Shares issued on the exercise of such Option shall bear a legend with a four-month hold period commencing on the Date of Grant in accordance with applicable securities laws.

8.2 **Death of Optionee** - Subject to Section 8.3, if the employment of an Optionee as an Employee of, or the services of a Consultant providing services to, the Company or any Subsidiary Company, or the employment of an Optionee as an individual providing Investor Relations Activities, or the position of the Optionee as a director or senior officer of the Company or any Subsidiary Company, terminates as a result of such Optionee's death, any Options held by such Optionee shall pass to the Qualified Successor of the Optionee and shall be exercisable by such Qualified Successor until the earlier of a period of not more than one year following the date of such death and the expiry of the Term of the Option.

8.3 **Disability of Optionee** - If the employment of an Optionee as an Employee of, or the services of a Consultant providing services to, the Company or any Subsidiary Company, or the employment of an Optionee as an individual providing Investor Relations Activities for the Company, or the position of the Optionee as a director or senior officer of the Company or any Subsidiary Company, is terminated by reason of such Optionee's Disability, any Options held by such Optionee that could have been exercised immediately prior to such termination of employment or service shall be exercisable by such Optionee, or by his Guardian, for a period of 30 days following the termination of employment or service of such Optionee. If such Optionee dies within that 30-day period, any

Option held by such Optionee that could have been exercised immediately prior to his or her death shall pass to the Qualified Successor of such Optionee, and shall be exercisable by the Qualified Successor until the earlier of a period of 30 days following the death of such Optionee and the expiry of the Term of the Option.

8.4 **Deemed Non-Interruption of Employment** - Employment shall be deemed to continue intact during any military or sick leave or other bona fide leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Optionee's right to reemployment with the Company or any Subsidiary Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Optionee's reemployment is not so guaranteed, then the Optionee's employment shall be deemed to have terminated on the ninety-first day of such leave.

9. **TERMINATION OF OPTIONS**

9.1 **Termination of Options** - To the extent not earlier exercised or terminated in accordance with Section 8, an Option shall terminate at the earliest of the following dates:

- (a) the termination date specified for such Option in the Option Agreement;
- (b) where the Optionee's position as an Employee, a Consultant, a director or a senior officer of the Company or any Subsidiary Company, or an individual providing Investor Relations Activities for the Company, is terminated for cause, the date of such termination for cause;
- (c) where the Optionee's position as an Employee, a Consultant, a director or a senior officer of the Company or any Subsidiary Company or an individual providing Investor Relations Activities for the Company terminates for a reason other than the Optionee's Disability or death or for cause, not more than 90 days after such date of termination or, if the Shares are listed only on the TSXV, then in the case of a person employed to provide Investor Relations Activities, not more than 30 days after such person ceases to be employed to provide Investor Relations Activities; PROVIDED that if an Optionee's position changes from one of the said categories to another category, such change shall not constitute termination or cessation for the purpose of this Subsection 9.1(c); and
- (d) the date of any sale, transfer, assignment or hypothecation, or any attempted sale, transfer, assignment or hypothecation, of such Option in violation of Section 8.1.

9.2 **Lapsed Options** - If Options are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Shares not purchased under such lapsed Options. If an Option has been surrendered in connection with the regranting of a new Option to the same Optionee on different terms than the original Option granted to such Optionee, then, if required, the new Option is subject to approval of the Exchange.

9.3 **Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement** - If the Optionee retires, resigns or is terminated from employment or engagement with the Company or any Subsidiary Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not vested at that time or which, if vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

10. **ADJUSTMENTS TO OPTIONS**

10.1 **Alteration in Capital Structure** - If there is any change in the Shares through or by means of a declaration of stock dividends of the Shares or consolidations, subdivisions or reclassifications of the Shares, or otherwise, the number of Shares available under the Plan, the Shares subject to any Option and the Option Price therefor shall be adjusted proportionately by the Board and, if required, approved by the Exchange, and such adjustment shall be effective and binding for all purposes of the Plan.

10.2 **Effect of Amalgamation, Merger or Arrangement** - If the Company amalgamates, merges or enters into a plan of arrangement with or into another corporation, any Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would have received upon such amalgamation, merger or arrangement if the Optionee had exercised the Option immediately prior to the record date applicable to such amalgamation, merger or arrangement, and the exercise price shall be adjusted proportionately by the Board and such adjustment shall be binding for all purposes of the Plan.

10.3 **Acceleration on Change in Control** - Upon a Change in Control, all Options shall become immediately exercisable, notwithstanding any contingent vesting provisions to which such Options may have otherwise been subject.

10.4 **Acceleration of Date of Exercise** - Subject to the approval of the Exchange, if required, the Board shall have the right to accelerate the date of vesting of any portion of any Option which remains unvested.

10.5 **Determinations to be Binding** - If any questions arise at any time with respect to the Option Price or exercise price or number of Option Shares or other property deliverable upon exercise of an Option following an event referred to in this Section 10, such questions shall be conclusively determined by the Board, whose decisions shall be final and binding.

10.6 **Effect of a Take-Over** - If a *bona fide* offer (the "Offer") for Shares is made to an Optionee or to shareholders generally or to a class of shareholders which includes the Optionee, which Offer constitutes a take-over bid within the meaning of the Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon any Option held by an Optionee may be exercised in whole or in part, notwithstanding any contingent vesting provisions to which such Options may have otherwise been subject, by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "Optioned Shares") to the Offer. If

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror pursuant thereto;

the Optioned Shares or, in the case of clause (b) above, the Optioned Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Optioned Shares, the Option shall be reinstated as if it had not been exercised. If any Optioned Shares are returned to the Company under this Section, the Company shall refund to the Optionee any Option Price paid for such Optioned Shares.

11. APPROVAL, TERMINATION AND AMENDMENT OF PLAN

11.1 **Shareholder Approval** - This Plan, if the Shares are listed only on the TSXV, is subject to Disinterested Shareholder Approval on a yearly basis at the Company's next ensuing annual general meeting.

11.2 **Power of Board to Terminate or Amend Plan** - Subject to the approval of the Exchange, if required, the Board may terminate, suspend or discontinue the Plan at any time or amend or revise the terms of the Plan; provided, however, that, except as provided in Section 10, the Board may not do any of the following without obtaining, within 12 months either before or after the Board's adoption of a resolution authorizing such action, approval by the Company's shareholders at a meeting duly held in accordance with the applicable corporate laws:

- (a) increase the maximum number of Shares which may be issued under the Plan;
- (b) materially modify the requirements as to eligibility for participation in the Plan; or
- (c) materially increase the benefits accruing to participants under the Plan;

however, the Board may amend the terms of the Plan to comply with the requirements of any applicable regulatory authority, or as a result of changes in the policies of the Exchange relating to director, officer and employee stock options, without obtaining the approval of the Company's shareholders.

11.3 **No Grant During Suspension of Plan** - No Option may be granted during any suspension, or after termination, of the Plan. Amendment, suspension or termination of the Plan shall not, without the consent of the Optionee, alter or impair any rights or obligations under any Option previously granted.

12. **CONDITIONS PRECEDENT TO ISSUANCE OF SHARES**

12.1 **Compliance with Laws** - Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares shall comply with all relevant provisions of law, including, without limitation, any applicable United States state securities laws, the Securities Act of 1933, as amended, the rules and regulations thereunder and the requirements of any Exchange or automated interdealer quotation system of a registered national securities association upon which such Shares may then be listed or quoted, and such issuance shall be further subject to the approval of counsel for the Company with respect to such compliance, including the availability of an exemption from registration for the issuance and sale of such Shares. The inability of the Company to obtain from any regulatory body the authority deemed by the Company to be necessary for the lawful issuance and sale of any Shares under this Plan, or the unavailability of an exemption from registration for the issuance and sale of any Shares under this Plan, shall relieve the Company of any liability with respect to the non-issuance or sale of such Shares other than with respect to a refund of any Option Price paid.

13. **USE OF PROCEEDS**

13.1 **Use of Proceeds** - Proceeds from the sale of Shares pursuant to the Options granted and exercised under the Plan shall constitute general funds of the Company and shall be used for general corporate purposes, or as the Board otherwise determines.

14. **NOTICES**

14.1 **Notices** - All notices, requests, demands and other communications required or permitted to be given under this Plan and the Options granted under this Plan shall be in writing and shall be either delivered personally to the party to whom notice is to be given, in which case notice shall be deemed to have been duly given on the date of such personal delivery; telecopied, in which case notice shall be deemed to have been duly given on the date the telecopy is sent; or mailed to the party to whom notice is to be given, by first class mail, registered or certified, return receipt requested, postage prepaid, and addressed to the party at his or its most recent known address, in which case such notice shall be deemed to have been duly given on the tenth postal delivery day following the date of such mailing.

15. **MISCELLANEOUS PROVISIONS**

15.1 **No Obligations to Exercise** - Optionees shall be under no obligation to exercise Options granted under this Plan.

15.2 **No Obligation to Retain Optionee** - Nothing contained in this Plan shall obligate the Company or any Subsidiary Company to retain an Optionee as an employee, officer, director or consultant for any period, nor shall this Plan interfere in any way with the right of the Company or any Subsidiary Company to reduce such Optionee's compensation.

15.3 **Binding Agreement** - The provisions of this Plan and of each Option Agreement with an Optionee shall be binding upon such Optionee and the Qualified Successor or Guardian of such Optionee.

15.4 **Use of Terms** - Where the context so requires, references herein to the singular shall include the plural, and vice versa, and references to a particular gender shall include either or both genders.

15.5 **Headings** - The headings used in this Plan are for convenience of reference only and shall not in any way affect or be used in interpreting any of the provisions of this Plan.

15.6 **No Representation or Warranty** - The Company makes no representation or warranty as to the future value of any Shares issued in accordance with the provisions of this Plan.

15.7 **Income Taxes** - As a condition of and prior to participation in the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to such Optionee any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of such Optionee's participation in the Plan.

15.8 **Compliance with Applicable Law** - If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange or over the counter market having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

15.9 **Conflict** - In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

15.10 **Governing Law** - This Plan and each Option Agreement issued pursuant to this Plan shall be governed by the laws of the Province of British Columbia.

15.11 **Time of Essence** - Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be, or to operate as, a waiver of the essentiality of time.

15.12 **Entire Agreement** - This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior stock option plans, agreements, undertakings and understandings, whether oral or written.

16. **EFFECTIVE DATE OF PLAN**

16.1 **Effective Date of Plan** - This Plan shall be effective on the later of the day of its approval by the shareholders of the Company given by way of ordinary resolution and the day of its acceptance for filing by the Exchange.

Approved and adopted by the Board of Directors on 25th day of March 2009.

“Harry J. Fleming”

Harry Fleming, Chief Executive Officer

SCHEDULE C – AUDIT COMMITTEE CHARTER

ACRO ENERGY TECHNOLOGIES CORP.

Audit Committee Charter

The primary function of the audit committee (the “**Committee**”) is to assist the Board of Directors of Acro Energy Technologies Corp. (the “**Company**”) in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and 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:

- 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.
- Review and appraise the performance of the Company’s external auditors.
- Provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors.

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 shareholder’s 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 four times annually, or more frequently as circumstances dictate. As part of its job to foster open communications, 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 and any annual and interim earnings, press releases before the Company publically 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 confirmation from the independent auditor that it ultimately is accountable, and will report directly, to the committee.
- (c) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (e) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (f) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (g) 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.
- (h) 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.
- (i) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (j) 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:
 - a. The aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent 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;
 - b. Such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - c. 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.

The committee is not responsible for:

1. Planning or conducting audits.
2. Certifying or determining the completeness or accuracy of the company's financial statements or that those financial statements are in accordance with generally accepted accounting principles.
3. Guaranteeing the report of the company's independent auditor.

The fundamental responsibility for the company's financial statements and disclosure rests with management. It is not the duty of the committee to conduct investigations, to itself resolve disagreements (if any) between management and the independent auditor or to ensure compliance with applicable legal and regulatory requirements.

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 any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

Review any related-party transactions.