

**Olympus Pacific Minerals Inc.**  
Suite 500 – 10 King Street East  
Toronto, ON M5C 1C3

**2009  
ANNUAL  
GENERAL  
MEETING**

Notice of Annual General Meeting of Shareholders  
Management Information Circular  
Form of Proxy and Notes Thereto  
Financial Statement Request Form

**Place:**

The President's Suite  
Albany Club of Toronto  
91 King Street East  
Toronto Ontario M5C 1G3

**Time:**

3:00 p.m.

**Date:**

Friday, May 29, 2009

## OLYMPUS PACIFIC MINERALS INC.

### CORPORATE DATA

#### **Head Office**

Suite 500 – 10 King Street East  
Toronto, ON M5C 1C3

#### **Directors and Officers**

David A. Seton – Chairman, Chief Executive Officer & Director  
Kevin Flaherty – Director  
Jon Morda – Director  
John A.G. Seton – Director  
T. Douglas Willock – Director  
Peter Tiedemann – Chief Financial Officer  
Charles Barclay – Chief Operating Officer  
Louis Montpellier (Gowling Lafleur Henderson LLP) – Corporate Secretary  
T. Rodney P. Jones – Vice President, Exploration  
James Hamilton – Vice President, Investor Relations  
Huong Le-Dao – Vice President, Human Resources  
Russell Graham – Vice President, Finance Vietnam

#### **Registrar and Transfer Agent**

Computershare Investor Services Inc.  
9th Floor, 100 University Avenue  
Toronto, ON M5J 2Y1

#### **Legal Counsel**

Gowling Lafleur Henderson LLP  
2300 – 1055 Dunsmuir Street  
Vancouver, BC V7X 1J1

Berns & Berns  
767 Third Avenue  
New York, NY 10017

Boyle & Co. LLP  
1900 - 25 Adelaide Street East  
Toronto, ON M5C 3A1

#### **Auditor**

Ernst & Young LLP  
Ernst & Young Tower, TD Centre  
222 Bay Street  
Toronto, ON M5K 1J7

#### **Listing**

Toronto Stock Exchange - Symbol: "OYM"  
OTCBB (US) - Symbol: "OLYMF"  
Frankfurt Stock Exchange - Symbol: "OP6"

**Olympus Pacific Minerals Inc.**  
**Suite 500 – 10 King Street East**  
**Toronto, ON M5C 1C3**  
**(416) 572-2525**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of Olympus Pacific Minerals Inc. (hereinafter called the “Company”) will be held in the President’s Suite, Albany Club of Toronto, 91 King Street East, Toronto, Ontario, on Friday, the 29<sup>th</sup> day of May 2009 at the hour of 3 in the afternoon (local time), for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2008 (with comparative statements relating to the preceding fiscal period) together with the report of the auditors therein;
2. To elect two (2) directors and fix their terms;
3. To appoint the auditors and to authorize the directors to fix their remuneration; and
4. To transact such further or other business as may properly come before the meeting or any adjournment or adjournments thereof.

Accompanying this Notice are a Management Information Circular, a form of Proxy and a Financial Statement Request Form. The accompanying Management Information Circular provides information relating to the matters to be addressed at the meeting and is incorporated into this Notice.

Shareholders are entitled to vote at the meeting either in person or by proxy. Those who are unable to attend the meeting are requested to read, complete, sign and mail the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Management Information Circular accompanying this Notice. Please advise the Company of any change in your mailing address.

DATED at Toronto, Ontario, this 6<sup>th</sup> day of April, 2009

BY ORDER OF THE BOARD  
*(signed) “David A. Seton”*  
*Chairman, Chief Executive Officer & Director*

**Olympus Pacific Minerals Inc.  
Suite 500 – 10 King Street East  
Toronto, ON  
M5C 1C3**

**MANAGEMENT INFORMATION CIRCULAR**

(Containing information as at April 6, 2009 unless indicated otherwise)

**SOLICITATION OF PROXIES**

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of Olympus Pacific Minerals Inc. (the “**Company**”) for use at the Annual General Meeting of Shareholders of the Company (and any adjournment thereof) to be held on Friday, May 29, 2009 (the “**Meeting**”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of the Company at nominal cost. All costs of solicitation by management will be borne by the Company.

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

**APPOINTMENT OF PROXYHOLDER**

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** A proxy will not be valid unless the completed form of proxy is received by COMPUTERSHARE INVESTOR SERVICES INC. (the “**Transfer Agent**”), Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Proxies delivered after that time will not be accepted.

**REVOCAION OF PROXIES**

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the registered office of the Company, at Suite 500, 10 King Street East, Toronto, Ontario, M5C 1C3, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

**INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting.** If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in such shareholder’s name on the records of the Company. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which company acts as nominee for many Canadian

brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers' clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of common shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

This Management Information Circular and accompanying materials are being sent to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own ("**Objecting Beneficial Owners**", or "**OBO's**") and those who do not object to their identity being made known to the issuers of the securities they own ("**Non-Objecting Beneficial Owners**", or "**NOBO's**"). Subject to the provision of National Instrument 54-101 – Communication with Beneficial Owners of Securities of Reporting Issuers ("**NI 54-101**") issuers may request and obtain a list of their NOBO's from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBO's. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

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

The Company's OBO's can expect to be contacted by Broadridge or their brokers or their broker's agents as set out above.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. **Beneficial shareholders who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Management Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

### **VOTING OF PROXIES**

The shares represented by a properly executed proxy in favour of persons proposed by Management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL SUCH SHARES WILL BE VOTED **IN FAVOUR** OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Management Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

**VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

Authorized Capital: unlimited common shares without par value  
Issued and Outstanding: 232,423,101 <sup>(1)</sup> common shares without par value

Notes:

(1) As at April 6, 2009

Only shareholders of record at the close of business on April 24, 2009, (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each common share registered in his name on the list of shareholders, which is available for inspection during normal business hours at Computershare Investor Services Inc. and will be available at the Meeting.

To the knowledge of the directors and senior officers of the Company, the only persons or companies who beneficially own, directly or indirectly or exercise control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company are:

Name	No. of Shares	Percentage
Dragon Capital Group Limited Ho Chi Minh City, Vietnam	89,679,601 <sup>(1)(2)</sup>	38.6%
Zedex Minerals Limited Auckland, New Zealand	69,174,827 <sup>(1)(3)(4)</sup>	29.77%

Notes:

(1) As at the Record Date.

(2) Of these securities 39,369,227 shares are registered in the name of Vietnam Growth Fund Limited, 19,708,500 shares are registered in the name of Vietnam Enterprise Investments Limited, 13,000,000 are registered in the name of Vietnam Resource Investment (Holdings) Limited, 16,131,874 are registered in the name of Vietnam Dragon Fund Limited,

1,270,000 shares are registered in the name of Dragon Capital Markets Limited and 200,000 shares are registered in the name of Dragon Capital Management Limited.

- (3) Mr. John A. G. Seton, director, is the Chairman, director and an insider of Zedex Minerals Limited.
- (4) During 2008, Zedex entered into agreements with several individual shareholders of Olympus Securities that were domiciled outside North America to acquire their holdings. Pursuant to these agreements Zedex had the right to acquire an additional 40,332,028 common shares. By March 30, 2009 Zedex had completed transfer of 37,777,978 common shares under the agreements.

**ELECTION OF DIRECTORS**

The Board of Directors presently consists of five directors. At the annual and special general meeting of shareholders held June 7, 2007 it was determined that the number of directors be fixed at five and to elect directors for terms ranging from one to three years.

The term of office of two of the present directors expires at the Meeting. The persons named below will be presented for election at the Meeting as management’s nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Under the provisions of the *Canada Business Corporations Act* (“**CBCA**”) directors may hold office for a term expiring not later than the close of the third annual meeting following the election. Shareholders will be asked to approve extended terms of office for directors elected for three years as described below. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office for the term approved by the shareholders or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the By-Law No. 1 of the Company, or with the provisions of the CBCA.

At the Meeting, Shareholders will be asked to elect: Messrs. John A. G. Seton and T. Douglas Willock to the Company’s board of directors, each for a term expiring at the third Annual General Meeting of the shareholders following the May 29, 2009 annual general meeting. At the annual meeting held June 12, 2008, Messrs David A. Seton and Kevin Flaherty, were elected each for a term expiring at the third Annual General Meeting of the shareholders following the date of the 2008 annual general meeting; at the annual and special general meeting of the shareholders held June 7, 2007 Mr. Jon Morda was elected for a term expiring at the third Annual General Meeting of the shareholders following the date of the 2007 annual and special general meeting.

The following table and notes thereto sets out the names of each person proposed to be nominated by management for election as a director (a “**proposed director**”) and their term of office, the province or city and country in which he is ordinarily resident, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company, and the number of common shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Position and Province or City and Country of Residence <sup>(1)</sup>	Principal Occupation and, If Not at Present an Elected Director, Occupation During the Past 5 Years <sup>(1)</sup>	Previous Service as a Director	Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(2)</sup>
<b>Nominees for Election as Directors for a Term Expiring on the third Annual Meeting following the May 29, 2009 Annual General Meeting</b>			
<b>John A. G. Seton</b> <sup>(3)(7)</sup> <b>Director</b> Auckland, New Zealand	Lawyer; Executive Chairman and director of Australian-listed Zedex Minerals Limited since October 23, 2003; Chairman of New Zealand-listed SmartPay Limited; Chairman of The Mud House Wine Group Limited.	Since July 7, 1999	Nil <sup>(5)</sup>

Name, Position and Province or City and Country of Residence <sup>(1)</sup>	Principal Occupation and, If Not at Present an Elected Director, Occupation During the Past 5 Years <sup>(1)</sup>	Previous Service as a Director	Number of Common Shares beneficially owned or directly or indirectly controlled <sup>(2)</sup>
<b>T. Douglas Willock</b> <sup>(3)(4)(6)(7)(8)</sup> <b>Lead Director</b> Ontario, Canada	At April 17, 2009, President, Chief Executive Officer, and a Director of Polar Star Mining Corporation, a mineral exploration and development company listed for trading on the Toronto Venture Exchange; Formerly Vice President, Corporate Development, Exall Resources Limited from May 1, 2001 to December, 2006.	Since February 16, 2006	91,000

**Other Current Directors**

<b>Nominees for Election as Directors for a Term Expiring on the Next Annual Meeting following the May 29, 2009 Annual General Meeting</b>			
<b>Jon Morda</b> <sup>(4)(6)(8)</sup> <b>Director</b> Ontario, Canada	Chartered Accountant; CFO of Alamos Gold, a mineral exploration and gold producing company listed for trading on the Toronto Stock Exchange.	Since August 16, 2005	19,500
<b>Nominee for Election as Director for a Term of Expiring on the First to Next Annual Meeting following the May 29, 2009 Annual General Meeting.</b>			
<b>David A. Seton</b> <b>Chairman, Chief Executive Officer and Director</b> Auckland, New Zealand	Chairman and Chief Executive Officer of Olympus Pacific Minerals Inc. and, at April 17, 2009, Director of Polar Star Mining Corporation, a mineral exploration and development company listed for trading on the Toronto Venture Exchange.	Since August 23, 1996	23,334
<b>Kevin Flaherty</b> <sup>(3)(4)(6)(7)</sup> <b>Director</b> Alberta, Canada	Chairman, and Chief Executive Officer since 2003 (President 1998-2003) and Director of Celtic Minerals Ltd. (a mining exploration and development company) since 1994; Formerly Executive Vice-President, CFO and Director of Tiberon Minerals Ltd.; Currently, director of Meritus Minerals Ltd. since 2005; Carpathian Gold Inc. and Linear Gold Corp. since 2003.	Since May 2, 2007	Nil

Notes:

- (1) The information as to the province and country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) The information as to shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (3) Denotes member of Corporate Governance Committee. As of June 7, 2007, Mr. Kevin Flaherty is the Chair of the Corporate Governance Committee.

- (4) Denotes member of Compensation Committee. Mr. Willock is the Chair of the Compensation Committee.
- (5) Mr. John Seton is also the Chairman, director and an insider of Zedex Minerals Limited which owns 69,174,827 shares in the capital of the Company. Mr. John Seton does not have control or direction, directly or indirectly over the shares of Zedex Minerals Limited.
- (6) Denotes member of Audit Committee. Mr. Morda is the Chair of the Audit Committee.
- (7) Denotes member of Nominating Committee. As of June 7, 2007, Mr. Flaherty is the Chair of the Nominating Committee.
- (8) Denotes member of Independent Committee established for the purpose and term of the Zedex Minerals Limited merger. On February 13, 2007 the Independent Committee dissolved. See "Interest of Informed Persons in Material Transactions".

### **AUDIT COMMITTEE**

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee including the text of the audit committee’s charter, composition of the audit committee and the fees paid to the external auditor. This information is provided in the Company’s annual information form in the Annual Report on Form 20-F dated March 30, 2009 (the “**AIF**”) with respect to the fiscal year ended December 31, 2008. The AIF is available for review by the public on the SEDAR website located at [www.sedar.com](http://www.sedar.com) “Company Profiles – Olympus Pacific Minerals Inc.”. Management of the Company strongly encourages its shareholders to review the AIF.

### **STATEMENT OF EXECUTIVE COMPENSATION**

“Named Executive Officers” (each an “**NEO**”) means the Chief Executive Officer (“**CEO**”) and the Chief Financial Officer (“**CFO**”) of the Company, or if the Company does not have a CFO, an individual which acted in a similar capacity, regardless of the amount of compensation of that individual, each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recent financial year and whose total annualized salary and bonus amounted to \$150,000 or more.

The Company has seven Named Executive Officers (titles as at December 31, 2008): **David A. Seton**, the Executive Chairman and CEO; **Peter Tiedemann**, the CFO; **Charles Barclay**, the Chief Operations Officer; **T. Rodney P. Jones**, the VP Exploration;; James Hamilton, the VP Investor Relations; and Huong Le-Dao, the VP Human Resources, Russell Graham, the VP Finance Vietnam. The following table sets forth the compensation awarded, paid to or earned by the Named Executive Officers for the three most recently completed years of the Company.

**SUMMARY COMPENSATION TABLE**

Name and Principal Position	Year <sup>(1)</sup>	Salary (\$) <sup>(2)</sup>	Non-equity incentive plan compensation				Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
			Share-based awards (\$)	Option-based awards <sup>(3)</sup> (\$)	Annual incentive plans	Long-term incentive plans (\$)			
David A. Seton <sup>(4)</sup> Executive Chairman	2008	240,000	N/A	198,990	12,000	N/A	N/A	N/A	450,990
	2007	180,000	N/A	945,000	137,874	N/A	N/A	N/A	1,262,874
	2006	174,375	N/A	N/A	70,319	N/A	N/A	N/A	244,694
Peter Tiedemann <sup>(7)</sup> Chief Finance Officer	2008	160,000	N/A	51,120	8,000	N/A	N/A	N/A	219,120
	2007	133,826	N/A	295,000	33,918	N/A	N/A	N/A	462,744
	2006	65,742	N/A	N/A	N/A	N/A	N/A	N/A	65,742
Charles Barclay <sup>(5)</sup> VP Operations	2008	175,000	N/A	46,860	8,750	N/A	N/A	N/A	230,610
	2007	150,479	N/A	163,000	56,739	N/A	N/A	N/A	370,218
	2006	176,907	N/A	190,500	33,557	N/A	N/A	N/A	400,964
Rodney P. Jones <sup>(6)</sup> VP, Exploration	2008	155,000	N/A	28,710	7,750	N/A	N/A	N/A	191,460
	2007	62,500	N/A	195,600	31,875	N/A	N/A	N/A	289,975
James Hamilton <sup>(8)</sup> VP, Investor Relations	2008	132,000	N/A	38,280	6,600	N/A	N/A	N/A	176,880
Russell Graham <sup>(9)</sup> VP, Finance Vietnam	2008	142,000	N/A	38,280	7,100	N/A	N/A	N/A	187,380
Huong Le-Dao <sup>(10)</sup> VP, Human Resources	2008	50,000	N/A	12,308	Nil	N/A	N/A	N/A	62,308

**NOTES:**

- (1) Financial years ended December 31.
- (2) Amounts converted to Canadian dollars using Bank of Canada exchange rates at end of December for each respective year rounded to the nearest dollar.
- (3) Figures represent options granted during a particular year; see "Aggregate Option" table for the aggregate number of options outstanding at year end.
- (4) Mr. David Seton was appointed as CEO on February 4, 2008.
- (5) Mr. Barclay was appointed Chief Operating Officer on March 17, 2008.
- (6) Mr. Jones joined as VP - Exploration on August 6, 2007.
- (7) Mr. Tiedemann was appointed VP – Corporate Affairs of the Company on March 17, 2008. Prior to that, he was appointed as CFO and Corporate Secretary on July 10, 2006. He was re-appointed CFO October 2, 2008
- (8) Mr. Hamilton was appointed VP, Investor Relations on March 17, 2008.
- (9) Mr. Graham joined as VP, Finance Vietnam on August 6, 2007
- (10) Ms. Huong Le-Dao joined as VP – Human Resources on September 1, 2008.

**Long Term Incentive Plan Awards**

A long-term incentive plan ("LTIP") is any plan providing compensation intended to motivate performance over a period greater than one financial year. A LTIP does not include option or stock appreciation rights plans or plans for compensation through shares or units that are subject to restrictions on resale. Under this definition, the Company did not have a LTIP during the recently completed fiscal year ended December 31, 2008.

### Stock Appreciation Rights

A stock appreciation right (“SAR”) is a right granted by an issuer or any of its subsidiaries as compensation for employment services or office to receive cash or an issue or transfer of securities based wholly or in part on changes in the trading price of the issuer’s shares. No SARs were granted to or exercised by the Named Executive Officers during the recently completed fiscal year ended December 31, 2008.

### Incentive Plan Awards – valued vested or awarded during the year

NEO Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
David A. Seton	Nil	Nil	12,000
Peter Tiedemann	Nil	Nil	8,000
Charles Barclay	Nil	Nil	8,750
James Hamilton	Nil	Nil	6,600
Russell Graham	Nil	Nil	7,100
Huong Le-Dao	Nil	Nil	Nil
Rodney P. Jones	Nil	Nil	7,750

### Option Grants During The Most Recently Completed Financial Year

The following table sets forth information concerning grants of stock options during the financial year ended December 31, 2008 to the Named Executive Officers pursuant to the rules and policies of the Exchange and in accordance with the provisions of the *Canada Business Corporations Act* and the Regulations thereunder.

NEO Name	Securities Under Options Granted	% of Total Options Granted to Employees in Financial Year <sup>(1)</sup>	Exercise or Base Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)	Expiration Date
David A. Seton	1,809,000	44%	0.40	0.24	January 1, 2013
Peter Tiedemann	426,000	10%	0.40	0.23	January 1, 2013
Charles Barclay	426,000	10%	0.40	0.24	January 1, 2013
James Hamilton	319,000	8%	0.40	0.23	January 1, 2013
Russell Graham	319,000	8%	0.40	0.23	January 1, 2013
Huong Le-Dao	153,850	4%	0.40	0.16	January 1, 2013
Rodney P. Jones	319,000	8%	0.40	0.19	January 1, 2013

Notes:

- (1) Percentage of all of the Company’s options granted during the last fiscal year, including those granted to directors.

**Outstanding share based awards and option based awards at 31 December 2008**

The following table sets forth details outstanding share based awards and option based awards at December 31, 2008, for the Named Executive Officers.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option Exercise price (\$)	Option expiration date	Value of unexercised In-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David A. Seton	1,809,000	0.40	1 January 2013	Nil	Nil	Nil
	3,000,000	0.75	2 May 2012	Nil	Nil	Nil
	1,000,000	0.32	29September2010	Nil	Nil	Nil
	1,000,000	0.32	31 August 2010	Nil	Nil	Nil
Peter Tiedemann	426,000	0.40	1 January 2013	Nil	Nil	Nil
	1,000,000	0.75	5 March 2012	Nil	Nil	Nil
	100,000	0.51	18 July 2011	Nil	Nil	Nil
Charles Barclay	426,000	0.40	1 January 2013	Nil	Nil	Nil
	500,000	0.65	15 August 2012	Nil	Nil	Nil
	500,000	0.43	3 November 2011	Nil	Nil	Nil
	500,000	0.36	25 January 2011	Nil	Nil	Nil
James Hamilton	319,000	0.40	1 January 2013	Nil	Nil	Nil
	150,000	0.65	15 August 2012	Nil	Nil	Nil
	150,000	0.32	22November 2010	Nil	Nil	Nil
Russell Graham	319,000	0.40	1 January 2013	Nil	Nil	Nil
	150,000	0.65	15 August 2012	Nil	Nil	Nil
Huong Le-Dao	153,850	0.40	1 January 2013	Nil	Nil	Nil
T. Rodney P. Jones	319,000	0.40	1 January 2013	Nil	Nil	Nil
	600,000	0.65	15 August 2012	Nil	Nil	Nil

No stock options held by the Named Executive Officers were repriced during the financial year ended December 31, 2008. The Company has not granted any freestanding SARs.

Each of the Named Executive Officers is engaged by the Company pursuant to an employment or management contract which sets out the NEO's base compensation and other entitlements.

**Pension Plans**

The Company does not provide retirement benefits for directors or executive officers.

### **Defined Benefit or Actuarial Plan Disclosure**

The Company does not have a defined benefit or actuarial plan under which benefits are determined primarily by final compensation (or average final compensation) and years of service of the Company's officers and key employees. The Company does not provide retirement benefits for directors or executive officers.

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

During the first quarter of 2008, the following changes occurred in senior management in preparation for the Company's anticipated growth with plans to increase production and expand its operations: Mr. David A. Seton, the Company's Executive Chairman, was also appointed its Chief Executive Officer. Mr. Colin Patterson, who had been the Company's Chief Executive Officer and President, became Corporate Technical Advisor. Mr. Charles Barclay, who had been Vice President, Operations Vietnam, was appointed Chief Operating Officer. Mr. Peter Tiedemann, who had been the Company's Chief Financial Officer and Corporate Secretary, became the Company's Vice President, Corporate Affairs. Ms. Pamela Campagnoni, who had been Vice President, Finance, was appointed Chief Financial Officer. Ms. Campagnoni departed the Company in October 2008 and Mr. Tiedemann resumed the role of Chief Financial Officer, Mr. Louis Montpellier, of Gowling Lafleur Henderson LLP, was appointed as Corporate Secretary and Mr. James Hamilton was appointed Vice President, Investor Relations. Ms. Huong Le-Dao was appointed to the role of VP – Human Resources in September 2008.

The Company currently has the following arrangement set forth below in place with respect to remuneration received or that may be received by the executive officers or directors of the Company in respect of compensating such officer or director in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

The Company has entered into management contracts with its named executive officers that provide for specific benefits in the event that executive's employment is terminated as a result of resignation, retirement, change of control, or a change in responsibilities following a change of control. A summary of these benefits follows.

#### Termination

The Executive officer may terminate his/her management agreement ("Management Agreement") and the services being provided by it hereunder by giving the Company at least three (3) months prior written notice (the "Executive's Termination Notice"), provided that the Company shall have the right to give written notice to the Executive that the Company is waiving the full notice period and is permitting the agreement and the services of the Executive to be terminated upon a date that is less than three months after the date of the Executive's Termination Notice as determined by the Company (the "Company's Termination Notice") and further provided that all fees payable to the Executive hereunder and all other obligations of the Company to the Executive hereunder shall cease upon the date specified in the Executive's Termination Notice or the Company's Termination Notice, whichever is applicable.

The Executive shall be entitled to terminate his/her management Agreement immediately upon serving written notice to the Company in the event that

- 1) a receiver or liquidator is appointed in respect of the Company; or
- 2) the Company fails to pay any moneys payable hereunder within fourteen (14) calendar days of the due date and shall further fail to pay such moneys within fourteen (14) calendar days of receiving written notice of such failure from the Executive.

The Management Agreements also provide that they will terminate if certain objectives of the Company are met ("Set Objectives" (Refer to Exhibits 3.24 to 3.30 inclusive)). Which are described in Schedule B of each Executive contract. In the event of termination upon achievement of the Set Objectives prior to the expiry of the agreement's term, the Executive shall be entitled to all remuneration and options it would have received had this Agreement have remained in full force and effect for the agreement's term.

The Company may at any time terminate a management Agreement and the engagement of the Executive without cause. In this event the Company shall be obligated to pay the Executive the amounts set out below. Such payment shall be payable on the fifth calendar day following the date of the notice of termination (the "Company's Notice of Termination") and shall consist of the following:

- (i) the Executive's full fee through to the date of termination at the amount in effect at the time the Company's Notice of Termination was given, the amount of any allowable expenses reimbursable, plus an amount equal to the amount, if any, of any bonuses previously made to the Executive which have not been paid;
- (ii) in lieu of further fees for periods subsequent to the date of the Company's Notice of Termination, a payment:
  - equal to three (3) months of the Executive's then existing annual fees should termination occur within the first twelve (12) months from the date the Executive commenced providing services to the Company; or
  - equal to six (6) months of the Executive's then existing annual fees should termination occur after the first twelve (12) months from the date the Executive commenced providing services to the Company; and
- (iii) the Executive's options on shares of the Company shall remain in full force and effect for the earlier of the expiry date of such options or twelve (12) months following the Company's Notice of Termination and the option agreements shall be deemed to have been amended, to the extent required, to the effect that any provision which would otherwise terminate such options as a result of the termination of the Executive's services shall be null and void.

The Company may at any time terminate the services of the Executive and his/her Management Agreement for any just cause that would in law permit the Company to, without notice, terminate the Executive, in which event the Executive shall not be entitled to the payment set forth above), but shall be entitled to receive the full amount of the Executive's fees due through to the date of the notice of termination.

The Management Agreement will be deemed to have been terminated by the Company if: without the written agreement of the Executive, the nature of the duties, requirements and arrangements of the Executive are substantially changed such that the nature of the work that is required to be performed is not work which is consistent with the work ordinarily required to be performed for a position similar to that assumed by the Executive for a publicly listed mining company, in which event the Company shall be obligated to provide the Executive with a payment as described above.

Any termination by the Company shall be communicated by written Notice of Termination. For purposes of this Agreement, a "Notice of Termination" shall mean a notice which shall indicate the specific termination provision of this Agreement relied upon and, in the case of a notice of termination for cause, shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's engagement.

On an executive's termination for any reason, the Executive agrees to deliver up to the Company all equipment, all documents, financial statements, records, plans, drawings, papers of every nature in any way relating to the affairs of the Company and its associated or affiliated companies which may be in its possession or under its control.

The Management Agreement provides that the Executive shall have a special right to terminate its engagement with the Company pursuant to the Section for Good Cause at any time within twelve (12) months of the Takeover of Control of the Company (as defined in the Management Agreement) by giving notice of its resignation in writing to the Board. The notice of resignation must be in writing, must cite the Takeover of Control Provision, and must contain at least one month's notice and not more than two (2) months notice. The Executive will not receive any payment unless a notice resignation is provided to the Company or a notice of termination is provided to Company. The Executive must exercise this right within twelve (12) months of the Takeover of Control. The Company shall be obligated to provide the Executive with a payment on the fifth calendar day following the earlier of the last calendar day specified in the notice of resignation or the notice of termination, as applicable, and the date the Executive actually ceases to be employed by the Company (the "Date of Resignation") which shall consist of the following:

- (i) the Executive's fees through to the Date of Resignation at the amount of the Executive's then existing annual fee at the time notice of termination or notice of resignation was given, the amount of any reimbursable expenses, plus an amount equal to the amount, if any, of any bonuses previously made to the Executive which have not been paid, accrued vacation and any other amounts due upon termination or resignation;

- (ii) in lieu of further fees for periods subsequent to the Date of Resignation, a payment equal to the number of months set out in Schedule "B" at the rate of the Executive's then existing annual fee and incentive bonus pursuant to Schedule "B"; and
- (iii) in lieu of common shares of the Company issuable upon exercise of options, if any, previously granted to the Executive under the Company's incentive programs and remaining unexercised at 5:00 p.m. (Toronto time) on the fourth calendar day following the Date of Resignation, which options shall be cancelled upon the payment referred to herein, a cash amount equal to the aggregate difference between the exercise price of all options held by the Executive, whether or not then fully exercisable, and the higher of (i) the average of the closing prices of the Company's common shares as reported on the Toronto Stock Exchange (or such other stock exchange on which the Company's shares may be listed) for thirty (30) calendar days preceding the Date of Resignation or (ii) the average price actually paid for the most highly priced one percent (1%) of the Company's common shares, however and for whatever reason by any person who achieves control of the Company as such term is defined in Section 2(g); and
- (iv) the Executive shall have the right, exercisable up to the fourth calendar day following the Date of Resignation, to elect to waive the application of the provisions regarding stock options, following the Date of Resignation. The Executive may exercise this election on or before 5:00 p.m. Toronto time on such fourth calendar day by delivering a notice in writing to the Company of such waiver whereupon:

in accordance with the Company's stock option plan, the Executive's unvested options on shares of the Company shall immediately vest and the Executive's vested options on shares of the Company will expire within ninety (90) days of the Date of Resignation; and

the Company shall be relieved of any obligation in connection with termination of the Executive's engagement to make the payment in Section 5(h)(iii).

- (v) The Executive agrees to accept such compensation in full satisfaction of any and all claims the Executive has or may have against the Company and the Executive agrees to execute and deliver a full and final release in writing of the Company with respect to the same upon payment of said sum, except monies owing by either party to the other up to the Date of Resignation.

The Executive shall not be required to mitigate the amount of any payment provided for under any paragraph of these termination provisions by seeking other engagement or otherwise nor shall the amount of any payment provided by the termination provisions be reduced by any other compensation earned by the Executive as a result of engagement by another client after the date of termination or otherwise.

The Company shall have full rights to offset any money properly due by the Executive or the Manager to the Company against any amounts payable by the Company to the Executive hereunder.

The Manager will cease to be enrolled in any Company benefit plan after the last day of any notice period given.

#### **Composition of the Compensation Committee**

The Company's Compensation Committee is comprised of three independent directors, T. Douglas Willock (Chairman), Jon Morda and Kevin Flaherty.

#### **Report on Executive Compensation**

The Company's executive compensation program is administered by the Compensation Committee (the "Committee") of the Board. The Committee has, as part of its mandate, primary responsibility for making recommendations for approval by the board of directors with respect to the appointment and remuneration of executive officers of the Company. The Committee also evaluates the performance of the Company's senior executive officers and reviews the design and competitiveness of the Company's compensation plans.

## **Executive Compensation**

The Company's principal goal is to create value for its shareholders. The Company's compensation philosophy is based on the objectives of linking the interests of the executive officers with both the short and long-term interests of the Company, of linking executive compensation to the performance of the Company and the individual and of compensating executive officers at a level and in manner that ensures the Company is capable of attracting, motivating and retaining individuals with exceptional executive skills. The executive compensation program is externally developed and is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long term. Base salaries are competitive with corporations of a comparable size and stage of development within the mining industry, thereby enabling the Company to compete for and retain executives critical to the Company's long-term success. Incentive compensation is directly tied to corporate performance. Share ownership opportunities are provided to align the interests of executive officers with the longer-term interests of shareholders.

Compensation for each of the Named Executive Officers consists of a base salary, along with an annual incentive compensation in the form of a performance based bonus, and a longer term incentive in the form of stock options.

### **Base Salary**

The Committee approves ranges for base salaries for senior management of the Company based on reviews of market data from peer companies in the mineral exploration industry. The level of base salary for each employee within a specified range is determined by the level of past performance, as well as by the level of responsibility and the importance of the position to the Company.

The Committee has approved agreements with respect to the base salary to be paid to the Executive Chairman and Chief Executive Officer, the Chief Financial Officer, the Vice President Exploration, the Chief Operations Officer, the Vice President Human Resources, the Vice President Investor Relations and Vice President, Finance Vietnam. The Committee's recommendations for such base salaries are then submitted for approval by the Board of the Company.

### **Annual Bonus**

Senior managers are eligible for an annual incentive award. Corporate performance, as assessed by the board of directors, determines the aggregate amount of bonus to be paid by the Company to all eligible senior officers in respect of a fiscal year.

The aggregate amount of bonus to be paid will vary with the degree to which targeted corporate performance was achieved for the period.

### **Stock Options**

The Stock Option Plan is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability and to reward individuals for current performance and expected future performance. The Committee considers stock option grants when reviewing executive officer compensation packages as a whole.

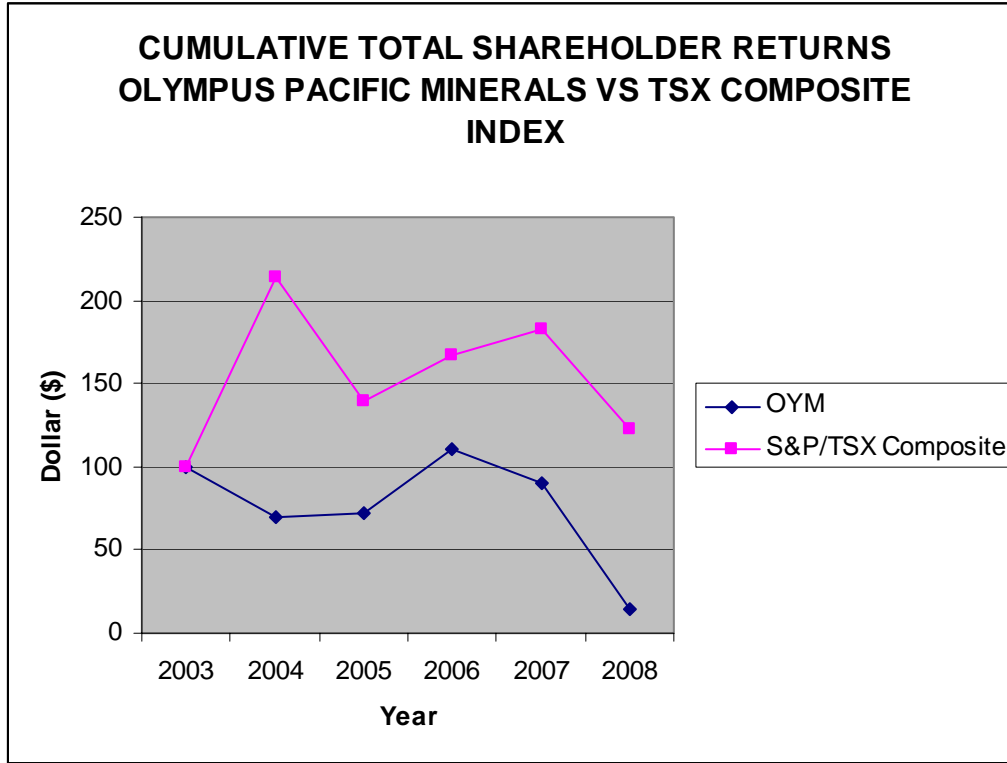
The Committee has sole discretion to determine the key officers to whom it recommends that grants be made and to determine the terms and conditions of the options forming part of such grants. The Committee approves ranges of stock option grants for each level of executive officer. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of the position to the Company. See "Particulars of Matters to be Acted Upon" for details of a proposed replacement of the Stock Option Plan.

### **Employee Benefits**

Management of the Company and the Committee believe that the Company's employee benefits program is comparable to those offered by comparable mining companies.

### Performance Graph

The following graph compares the year end investment value in the total cumulative shareholder return on its shares for \$100 invested in common shares of the Company on January 1, 2004 with the cumulative total returns of the S&P/TSX Composite Index for the five most recently completed financial years.



	2003	2004	2005	2006	2007	2008
OYM	100	70	72	110	90	15
S&P/TSX Composite	100	214	140	167	183	123

### Compensation of Directors and Corporate Secretary

In April 2008, the Directors' fees were set at a rate of \$25,000 cash fees annually plus \$8,750 of Deferred Share Units. The Chair of the Audit Committee received a further cash fee of \$5,000 in recognition of the greater responsibility and T. Douglas Willock received an additional annual stipend of \$30,000 for additional duties serving as the Company's Lead Director.

The Company paid a total of \$120,750 to non executive directors of the Company during the most recently completed financial year. In second quarter 2008, the Company set up a deferred share unit plan for the non-executive members of the Board of Directors. Under this plan, fees are paid as deferred share units ["DSUs"] whose value is based on the market value of the common shares. Under terms of the plan, the DSU plan will be an unfunded and unsecured plan. The deferred share units are paid out in cash upon retirement/resignation. The value of the DSU cash payment changes with the fluctuations in the market value of the common shares. Compensation expense for this plan is recorded in the year the payment is earned and changes in the amount of the deferred share unit payments as a result of share price movements are recorded in management fees and salaries in the Consolidated Statements of Operation in the period of the change. DSUs granted during the year ended December 31, 2008 totalled 466,668 units. Liabilities related to this plan are recorded in accrued liabilities in the Consolidated Balance Sheet and totalled \$35,000 as at December 31, 2008.

Name	Fees earned (\$)	Share-based Awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
David Seton	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Kevin Flaherty	21,750	Nil	8,750	Nil	Nil	Nil	34,250
Jon Morda	25,500	Nil	8,750	Nil	Nil	Nil	30,500
John Seton	21,750	Nil	8,750	Nil	Nil	Nil	30,500
T. Douglas Willock	51,750	Nil	8,750	Nil	Nil	Nil	60,500

### Option Grants in Last Fiscal Year to Directors Who are Not Named Executive Officers

There were no stock options granted to the directors of the Company who were not Named Executive Officers, as a group, during the last financial year ended December 31, 2008.

The following table sets forth details of all exercises of stock options during the last financial year ended December 31, 2008, by directors who are not Named Executive Officers of the Company, as a group, and the financial year-end value of unexercised stock options on an aggregated basis:

### Aggregated Option Exercises in Last Financial Year and Financial Year-End Option Values of Directors Who are Not Named Executive Officers (as a group)

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$) <sup>(1)</sup>	Unexercised Options at Financial Year-End (#) Exercisable/Unexercisable <sup>(2)</sup>	Value of Unexercised In-the-Money Options at Financial Year-End (\$) <sup>(2)</sup> Exercisable/Unexercisable
Directors who are not Named Executive Officers (4)	Nil	Nil	2,322,333/616,667	Nil/Nil

Notes:

- (1) Value using the closing price of common shares of the Company on the Exchange on the date exercised less the exercise price per share.
- (2) Value using the closing price of common shares of the Company on the Exchange on December 31, 2008, being the last trading day of the Company's shares for the financial year, of \$0.08 per share, less the exercise price per share.

### **Other Director Compensation**

During the most recently completed financial year, no director of the Company received compensation for services provided to the Company in their capacities as directors and/or consultants and/or experts, save for, the Company was billed \$110,653 in legal and consulting fees provided by Jura Trust which employs John A.G. Seton, a director of the Company, and Claymore Law where John Seton is a principal. The services provided are not under contract as the consulting and legal services are provided as required.

### **Corporate Secretary Compensation**

Effective March 17, 2008, Mr. Louis Montpellier of Gowling Lafleur Henderson LLP became the Corporate Secretary and received 250,000 stock options at a exercise price of \$0.62 per optioned share.

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICE**

Effective June 30, 2005, National Instrument 58-101 Disclosure of Corporate Governance Practices ("NI 58-101") was adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. The corporate governance practices adopted by the Company are set out in the attached Schedule "A".

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At any time during the Company's last completed financial year, no director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries is or has been indebted to the Company or any of its subsidiaries or is or has been indebted to another entity where such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, other than routine indebtedness.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

#### **Equity Compensation Plan Information**

The following table provides information regarding compensation plans under which securities of the Company are authorized for issuance in effect as of the end of the Company's most recently completed financial year end:

#### **Equity Compensation Plan Information**

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved By Shareholders	19,589,184	\$0.43	8,297,962

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Not Approved By Shareholders	N/A	N/A	N/A
<b>Total:</b>	19,589,184	\$0.43	8,297,962

### Stock Option Plan

The Company adopted a new Stock Option Plan (the “Plan”), approved by directors on April 24, 2007, which was approved by the shareholders of the Company at the Company’s annual and special general meeting held on June 7, 2007 and must be reapproved every three years. The purpose of the Plan is to provide an increased incentive for participants to contribute to the future success and prosperity of the Company. The key features of the Plan are as follows:

Under the Plan, stock options may be granted to directors, officers, employees and consultants of the Company and its affiliates or subsidiaries.

The Plan is a form of “evergreen/rolling maximum” incentive stock option plan which provides for the maximum number of common shares reserved for issuance under such plan to be no more than 12% of the issued and outstanding shares at the time of any stock option grant. In addition, the number of common shares subject to each option grant will be determined by the Board (or its duly appointed Compensation Committee) provided that any grant of options, may not result in the maximum number of common shares issuable:

- (a) to insiders of the Company, at any time, exceeding 10% of the Company’s issued and outstanding common shares (on a non-diluted basis) on the date of grant;
- (b) to insiders within any one year period exceeding 10% of the Company’s issued and outstanding common shares (on a non-diluted basis) on the date of grant;
- (c) to any one individual insider within a one year period, exceeding 5% of the outstanding common shares (on a non-diluted basis) at the time of the grant; and
- (d) to any non-employee directors, as a group, exceeding 5% of the outstanding common shares (on a non-diluted basis) at the time of grant;

The exercise price of any options granted shall be determined by the Board of Directors and shall not be less than the volume weighted average trading price of the common shares on the TSX, or another stock exchange where the majority of the trading volume and value of the listed shares occurs, for the five trading days immediately prior to the date of grant (or, such other price required by the TSX) (calculated by dividing the total value by the total volume of securities traded for the relevant period) (“Market Price options may be exercisable for a period of time fixed by the Board of Directors, not to exceed a maximum of up to five years (and may be adjusted to 10 days if the expiry date falls with a blackout period imposed by the Company), such period and any vesting schedule to be determined by the Board of Directors (or Compensation Committee) of the Company, and are non-assignable, except in certain circumstances.

The options are non-assignable and non-transferable. The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Plan. Options granted to any optionee who is a director, employee, consultant or management company employee must expire on the earlier of (i) ninety (90) days after the

optionee ceases to be in a least one of these categories, unless amended by the board to provide a longer period; or (ii) the date the option expires in accordance with its terms; or (iii) the date provided for in any employment or consulting agreement between such optionee and the Company, however shareholder approval is required to be obtained should this cause options held by an optionee who is an insider of the Company to be extended beyond their original expiry. If an optionee ceases to be employed or retained by the Company for cause or if an optionee is removed from office as a director or becomes disqualified from being a director by law, any option or the unexercised portion thereof granted to such optionee shall terminate forthwith.

In the event of death of the optionee, the outstanding options shall remain in full force and effect and exercisable by the heirs or administrators of the deceased optionee in accordance with the terms of the agreement for one (1) year from the date of death or the balance of the option period, which ever is earlier.

Options that expire during a period when the optionee is prohibited from trading the Company's securities (a "blackout period"), can be adjusted, without being subject to the approval of the Board of Directors or the shareholders of the Company, to take into account any blackout period imposed on the Optionee by the Company as follows:

- (a) if the expiry date falls within a blackout period imposed on the Optionee by the Company, then the expiry date is the close of business on the 10<sup>th</sup> business day after the end of such blackout period (the "Blackout Expiration Term"); or
- (b) if the expiry date falls within two business days after the end of a blackout period imposed on the Optionee by the Company, then the expiry date is the date which is the Blackout Expiration Term reduced by the number of days between the original expiry date and the end of such blackout period. By way of example, Options whose expiry date is two business days after the end of the blackout period may be exercised for an additional eight business days.

Subject to the policies of the TSX, the Board of Directors may, at any time, without further action by its shareholders, revise or amend the Plan or any option granted thereunder in such respects as it may consider advisable and, it may do so to:

- (a) ensure that the Options granted thereunder will comply with any provisions respecting stock options in the income tax and other laws in force in any country or jurisdiction of which a participant to whom an Option has been granted may from time to time be resident or a citizen;
- (b) change vesting provisions of an option or the Plan;
- (c) change termination provisions of an option provided, that the expiry date does not extend beyond the original expiry date;
- (d) reduce the exercise price of an option for a participant who is not an Insider, but in no case will it be lower than Market Price; and
- (e) make amendments to correct typographical or clerical errors or to add clarifying statements to ensure the intent and meaning of an option or the Plan is properly expressed.

However, specific disinterested shareholder approval is required to reduce the exercise price of an option for an optionee who is an insider;

All option shares subject to an option become vested in the event of a take-over bid, change of control, arrangement or corporate organization;

The exercise price and the number of common shares which are subject to an option may be adjusted from time to time for share dividends, and in the event of reclassifications, reorganizations or changes in the capital structure of the Company.

### Employee Bonus Share Program

In March, 2006, the Company adopted a “trial” employee bonus share program that allows employees to elect to take their bonus in either cash or double the cash amount in common shares (the “**Employee Bonus Share Program**” or the “**Program**”). The Employee Bonus Share Program was ratified by the shareholders of the Company on June 7, 2007 and must be further approved every three years. The “trial” employee bonus share program was not considered successful and was discontinued at January 1, 2008.

The key terms of the Program are as follows:

The Program provides for the payment of bonuses to employees, at the election of the Company and when financially prudent to do so, at six month intervals (January and July of each year) and permits employees to elect to take their pre-determined bonus in either cash or double the cash amount in common shares (the “bonus shares”) of the Company at the volume weighted average price which is calculated using the share price on the five trading days prior to the bonus grant date.

In addition, all bonus shares are subject to a 12-month vesting period; and in the event a participant leaves the employment before the 12-month vesting period, the participant is entitled to the original amount of the cash bonus. The bonus shares shall be granted from the Company’s existing pool of available stock options. Under the Program, as at the date of this Information Circular, an aggregate of 152,930 bonus shares have been issued to employees of the Company. In addition, another 917,040 bonus shares have been granted and will be issued under the Program, provided the grantees remain employees of the Company at the end of the 12-month vesting period. This represents a total of 1,069,970 bonus shares (representing 0.04% of the issued and outstanding common shares of the Company) which have been issued or granted pursuant to the Bonus Share Program.

Only participants selected by the board or compensation committee (the “Committee”) of the board will be entitled to participate in the Program. The payment of bonuses is “team-based” meaning that it is based upon competitive survey data and the overall financial success of the Company approved for the participants as a group and for each participant within the group. A participant must inform the Company in writing of an election, if any, to receive his or her bonus in the form of bonus shares within five business days of the grant of such bonus.

The bonus shares, together with all of the Company’s other previously established share compensation arrangements, may not result in the maximum number of common shares issuable:

- (a) to insiders of the Company, at any time, exceeding 10% of the Company’s issued and outstanding common shares on the date of grant of the bonus;
- (b) to insiders within any one year period exceeding 10% of the Company’s issued and outstanding common shares on the date of grant of the bonus;
- (c) to any one individual insider within a one year period, exceeding 5% of the outstanding common shares (on a non-diluted basis) at the time of the grant of the bonus; and
- (d) to any non-employee directors, as a group, exceeding 5% of the outstanding common shares (on a non-diluted basis) at the time of grant of the bonus.

Subject to the policies, rules and regulations of any lawful authority having jurisdiction (including the TSX), the board or the Committee may, at any time, amend or terminate the plan in such respects as it may consider advisable and, it may do so to:

- (a) ensure that the grant of bonus shares will comply with any provisions respecting stock options in the income tax and other laws in force in any country or jurisdiction of which a Participant to whom a bonus share has been granted may from time to time be resident or a citizen;
- (b) change vesting provisions of a bonus share or the plan;

- (c) make amendments to correct typographical or clerical errors or to add clarifying statements to ensure the intent and meaning of a bonus share or the plan is properly expressed;
- (d) the board may not, however, without the consent of the participant, alter or impair any of the rights or obligations under a bonus share theretofore granted;

The Committee may approve a deferral of the payment of bonuses with payment in whole at a later date or in instalments over a period of time. The length of time of deferral or instalment period will be determined at the discretion of the Committee.

### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

None of the proposed directors (or any of their personal holding companies) of the Company:

- (a) is, or during the ten years preceding the date of this Information Circular has been, a director or officer of any company, including the Company, that, while the person was acting in that capacity:
  - i. was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - ii. was subject to an event that resulted, after the director or proposed management nominee ceased to be a director or executive officer of the relevant company in the relevant company, being the subject of a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - iii. or within a year of the proposed director nominee ceasing to be a director or officer of the relevant company, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold its assets; or
- (b) has, within the ten years preceding the date of this Information Circular, 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 the assets of that individual.

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body which would likely be considered important to a reasonable securityholder of the Company in deciding whether to vote for a proposed director.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth above or elsewhere in this Management Information Circular and other than transactions carried out in the ordinary course of business of the Company or any of its subsidiaries, none of the directors or executive officers of the Company, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, nor any shareholder beneficially owning, directly or indirectly, common shares of the Company, or exercising control or direction over common shares of the Company, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Company nor an

associate or affiliate of any of the foregoing persons has since January 1, 2008 (being the commencement of the Company's last completed financial year) any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Company or any of its subsidiaries.

#### **MANAGEMENT CONTRACTS**

No management functions of the Company or its subsidiaries are performed to any substantial degree by a person or company other than the directors or executive officers of the Company or its subsidiaries.

#### **APPOINTMENT OF AUDITORS**

Unless such authority is withheld, the persons named in the accompanying proxy intend to vote for the reappointment of Ernst & Young LLP, Chartered Accountants as auditors of the Company and to authorize the directors to fix their remuneration. Ernst & Young LLP were first appointed auditors of the Company on April 20, 2004.

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

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

#### **ANY OTHER MATTERS**

Pursuant to the *Canada Business Corporations Act* ("CBCA"), proposals intended to be presented by shareholders for action at the 2009 Annual General Meeting must comply with the provisions of the CBCA and be deposited at the Company's head office not later than February 5, 2010 in order to be included in the Information Circular and form of proxy relating to such Meeting.

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

#### **ADDITIONAL INFORMATION**

Additional information regarding the Company and its business activities is available on the SEDAR website located at [www.sedar.com](http://www.sedar.com) "Company Profiles – Olympus Pacific Minerals Inc.". The Company's financial information is provided in the Company's audited comparative financial statements and related management discussion and analysis for its most recently completed financial year and may be viewed on the SEDAR website at the location noted above. Shareholders of the Company may request copies of the Company's financial statements and related management discussion and analysis by contacting James Hamilton, VP Investor Relations at Suite 500 – 10 King Street East, Toronto, ON M5C 1C3 (Phone: (416) 572-2525).

## SCHEDULE "A"

### CORPORATE GOVERNANCE PRACTICES

The following table addresses the disclosure requirements set out in Form 58-101F1 Corporate Governance Disclosure:

<i>Corporate Governance Disclosure Requirement</i>	<i>The Company's Approach</i>
<p><b>1. Board of Directors –</b></p> <p>(a) Disclose identity of directors who are independent.</p> <p>(b) Disclose identity of directors who are not independent and describe the basis for that determination.</p> <p>(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgment in carrying out its responsibilities.</p> <p>(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p> <p>(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.</p> <p>(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.</p>	<p>(a) The Company's three independent directors are Kevin Flaherty, Jon Morda and T. Douglas Willock.</p> <p>(b) The Company's non-independent directors are David A. Seton and John A.G. Seton. David A. Seton is non-independent insofar as he holds a senior executive position with the Company and John A.G. Seton is non-independent because an immediate family member holds a senior executive position within the Company.</p> <p>(c) The board is composed of three independent directors and two non-independent directors.</p> <p>(d) The following directors are presently also directors of the following other reporting issuers:  Kevin Flaherty: Carpathian Gold Inc., Celtic Minerals Ltd., Courtland Capital, Linear Gold Corp., and Meritus Minerals Ltd.  David A. Seton: Polar Star Mining Corporation.  John A.G. Seton: Zedex Minerals Limited and SmartPay Limited  T. Douglas Willock: Polar Star Mining Corporation.</p> <p>(e) The independent directors of the board do not hold meetings at which non-independent directors and members of management are not in attendance. The Company holds regular quarterly meetings and other meetings as required, at which the opinion of the independent directors is sought and duly acted upon for all material matters related to the Company.</p> <p>(f) The board presently does not have an independent director as the chair of the board. Mr. David A. Seton, the Company's Chairman and CEO, generally chairs the meetings of the board and actively seeks out the views of independent directors on all board matters.</p>

<p><b><i>Corporate Governance Disclosure Requirement</i></b></p>	<p><b><i>The Company's Approach</i></b></p>
<p>(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year</p>	<p>(g) The Company has held 8 board meetings (7 in 2008 and 1 in 2009) since the beginning of its most recently completed financial year. The attendance record for its five directors is: David A. Seton (8/8), Kevin Flaherty (7/8), Jon Morda (6/8), John A. Seton (7/8) and T. Douglas Willock (7/8).</p>
<p><b>2. Board Mandate –</b></p> <p>Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.</p>	<p>A copy of the board's written mandate is attached to the Management Information Circular as Schedule "B".</p>
<p><b>3. Position Description –</b></p> <p>(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.</p> <p>(b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.</p>	<p>(a) The board has not developed written position descriptions for the chair and the chair of each board committee. The chair of each of the Audit, Compensation, Corporate Governance and Nominating Committees, acts within the parameters set by their respective committee mandates.</p> <p>(b) The board and the CEO have not, to date, developed formal, documented position descriptions for the Board and the CEO defining the limits of management's responsibilities. The board has undertaken a formal review and development of position descriptions and is currently of the view that the respective corporate governance roles of the board and management, as represented by the CEO, are clear and that the limits to management's responsibility and authority are reasonably well-defined.</p>
<p><b>4. Orientation and Continuing Education –</b></p> <p>(a) Briefly describe what measures the board takes to orient new directors regarding</p> <ol style="list-style-type: none"> <li>i. The role of the board, its committees and its directors, and</li> <li>ii. The nature and operation of the issuer's business</li> </ol> <p>(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>(a) The Company does not have a formal orientation and education program for new directors. However, new directors are provided with relevant materials with respect to the Company as well as being oriented on relevant corporate issues by the Chairman and CEO.</p> <p>(b) The board currently does not provide continuing education for its directors. By using a board composed of experienced professionals with a wide range of financial, legal, exploration and mining expertise, the Company ensures that the board operates effectively and efficiently.</p>
<p><b>5. Ethical Business Conduct –</b></p> <p>(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:</p> <ol style="list-style-type: none"> <li>i. Disclose how a person or company may obtain a copy of the code;</li> <li>ii. Describe how the board monitors compliance with its code, or if the board does not monitor</li> </ol>	<p>(a) The board has adopted a written code of ethics and expectations for business conduct ("Code") for the directors, officers and employees of the Company. A copy of the Code has been filed under the Company's profile on SEDAR (<a href="http://www.sedar.com">www.sedar.com</a>).</p> <p>The board monitors compliance with the Code. Under the Code, any officer, director or employee of the Company</p>

<p><b><i>Corporate Governance Disclosure Requirement</i></b></p> <p>compliance, explain whether and how the board satisfies itself regarding compliance with its code; and</p> <p>iii. Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p><b><i>The Company's Approach</i></b></p> <p>who suspects a violation of a law, regulation or the Code itself is obliged to report it to the Chairman of the Corporate Governance Committee.</p> <p>The Board has not granted any waiver of its Code in favour of a director or executive officer during 2008 or during the past 12 months and accordingly no material change report has been required.</p>
<p>(b) Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p> <p>(c) Describe any other steps that the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>(b) Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions.</p> <p>A thorough discussion of the documentation related to a material transaction is required for review by the board, particularly independent directors.</p> <p>(c) The board seeks directors who have solid track records in spheres ranging from legal and financial to exploration and mining in order to ensure a culture of ethical business conduct. In addition every employee is required to acknowledge he or she has reviewed the Code as a condition of employment.</p>
<p><b>6. Nomination of Directors -</b></p> <p>(a) Describe the process by which the board identifies new candidates for board nomination</p> <p>(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.</p>	<p>(a) As noted in more detail below, the mandate of the Nominating Committee establishes the criteria for board membership, including recommending composition of the board. While the Nominating Committee has the primary responsibility for identifying prospective board members, all qualified candidates proposed by management or others are considered as well. At the present time, the Nominating Committee does not and has not required the assistance of an executive search firm for the identification of candidates for nomination as directors; however, the Committee has the ability to engage such a service as it sees fit.</p> <p>(b) The Board has a Nominating Committee, two of the three members of which are independent directors. To encourage an objective nomination process the board, in considering potential nominees, takes into account the current size and composition of the board, the ability of the individual candidate to contribute to the effective management of the Company, the ability of the individual to contribute sufficient time and resources to the board, the current and future needs of the Company, the individual's direct experience in the mining industry, the individuals direct experience with public companies, the individual's skills and knowledge and the skills and knowledge of existing members of the board. The nominee must not have a significant conflicting public company association.</p>

<i>Corporate Governance Disclosure Requirement</i>	<i>The Company's Approach</i>
<p>(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>(c) The overall purpose of the Nominating Committee is to assist the Board in fulfilling its oversight responsibilities by establishing criteria for board and committee membership, recommending composition of the board and its committees and, as circumstances arise, assessing directors' performance. The duties and responsibilities of the Nominating Committee are as follows:</p> <ul style="list-style-type: none"> <li>(i) in consultation with the board to establish criteria for board membership and recommend board composition;</li> <li>(ii) as circumstances require, to assess the performance and contribution of individual directors; and</li> <li>(iii) to propose to the board, annually, the members proposed for re-election to the board and identify and recommend new nominees for the board.</li> </ul>
<p><b>7. Compensation --</b></p> <p>(a) Describe the process by which the board determines the compensation for the issuer's directors and officers</p>	<p>(a) The Board reviews the adequacy and form of compensation and compares it to other companies of similar size and stage of development. As at April 1, 2008, Non-executive directors are paid a flat cash fee of \$25,000 per year and \$8,750 equivalent of Deferred Share Units (DSUs). Additional fees, as approved by the Board, for the provision of additional services may be paid. The Audit and Compensation Committees' Chair receive a further \$5,000 of cash fees in recognition of the additional responsibilities. The Company's Compensation Committee reviews the amounts and effectiveness of stock-based compensation.</p> <p>Each director is required to acquire and maintain a shareholding of common shares in the capital of the Company equal to four (4) times the value of their annual cash retainer within five (5) years of being elected or being appointed to the Board. The grants of DSUs are eligible to count towards meeting mandatory share ownership requirements. The Compensation Committee will review the shareholdings of each director on an annual basis and report back to the Board.</p>

<b><i>Corporate Governance Disclosure Requirement</i></b>	<b><i>The Company's Approach</i></b>
<p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors.</p> <p>(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>(b) The Board has a Compensation Committee composed of three independent directors.</p> <p>(c) The Compensation Committee's primary responsibility is to make recommendations for approval by the Board regarding remuneration of directors and executive officers. The Committee also evaluates the performance of the Company's senior executive officers and reviews the design and competitiveness of the Company's compensation plans. The Compensation Committee meets as required but at least twice per year to review and set remuneration.</p>
<p>(d) If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>(d) The Company has retained a compensation consulting firm, 3XCD. The services they have been retained to:</p> <ul style="list-style-type: none"> <li>• Review current compensation packages for executive officers and the Board.</li> <li>• Provide compensation package recommendations for executive officers and the Board.</li> </ul>
<p><b>8. Other Board Committees –</b></p> <p>If the board has standing committees other than the audit and compensation committees, identify the committees and describe their function.</p>	<p>In addition to the Audit Committee and the Compensation Committee, the Company has a Corporate Governance Committee and a Nominating Committee which is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the board and shareholders of the Company that the Company's corporate governance system is effective in the discharge of its obligations to the Company's stakeholders. Refer to Item 6 (c) for information relating to the Company's Nominating Committee.</p>
<p><b>9. Assessments –</b></p> <p>Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees and its individual directors are performing effectively.</p>	<p>The Audit Committee, as part of their quarterly review, assesses the effectiveness of the board and its independence. The Audit Committee assesses the adequacy of the information provided, the regular nature of the communication between the board and management and reviews whether management is following the mandated strategic direction as set out in the board's direction and management milestones.</p> <p>The board assesses the CEO's effectiveness in attaining the Company's corporate objectives, budgets and milestones.</p> <p>Officers and directors communicate with shareholders on an ongoing basis, and shareholders are regularly consulted on the effectiveness of board members and senior staff.</p>

## **SCHEDULE “B”**

### **OLYMPUS PACIFIC MINERALS INC. (the “Company”)**

#### **BOARD MANDATE**

The Board of Directors (the “Board”) of Olympus Pacific Minerals Inc. (the “Company”) shall have the oversight responsibility, authority and specific duties as described below.

Under the Canada Business Corporations Act, the directors of the Company are required to manage, or supervise the management of, the Company’s business and affairs, and in doing so to act honestly and in good faith with a view to the best interests of the Company. In addition, each director must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board of Directors is responsible for supervising the conduct of the Company's affairs and the management of its business. This includes setting long term goals and objectives for the Company, formulating the plans and strategies necessary to achieve those objectives and supervising senior management in their implementation. Although the Board delegates the responsibility for managing the day to day affairs of the Company to senior management personnel, the Board retains a supervisory role in respect of, and ultimate responsibility for, all matters relating to the Company and its business.

The Board needs to be satisfied that the Company’s senior management will manage the affairs of the Company in the best interest of the shareholders, and that the arrangements made for the management of the Company’s business and affairs are consistent with the Board’s duties described above. The Board is responsible for protecting shareholder interests and ensuring that the interests of the shareholders and of management are aligned. The obligations of the Board must be performed continuously, and not merely from time to time, and in times of crisis or emergency the Board may have to assume a more direct role in managing the affairs of the Company.

In discharging this responsibility, the Board oversees and monitors significant corporate plans and strategic initiatives. The Board’s strategic planning process includes annual and quarterly budget reviews and approvals, and discussions with management relating to strategic and budgetary issues. At least one meeting per year is to be devoted substantially to a review of strategic plans proposed by management.

The Board reviews the principal risks inherent in the Company’s business, including financial risks, through periodic reports from management of such risks. This review takes place in conjunction with the Board’s review of operations and risk issues at each Board meeting, at which time the Board assesses the systems established to manage those risks. Directly and through the Audit Committee, the Board also assesses the integrity of the internal financial control and management information systems.

In addition to those matters that must, by law, be approved by the Board, the Board is required to approve annual operating and capital budgets, any material dispositions, acquisitions and investments outside of the ordinary course of business or not provided for in the approved budgets, long-term strategy, organizational development plans and the appointment of senior executive officers. Management is authorized to act, without Board approval, on all ordinary course matters relating to the Company's business.

The Board also expects management to provide the directors on a timely basis with information concerning the business and affairs of the Company, including financial and operating information and information concerning industry developments as they occur, all with a view to enabling the Board to discharge its stewardship obligations effectively. The Board expects management to efficiently implement its strategic plans for the Company, to keep the Board fully apprised of its progress in doing so and to be fully accountable to the Board in respect to all matters for which it has been assigned responsibility.

The Board has instructed management to maintain procedures to monitor and promptly address shareholder concerns and has directed and will continue to direct management to apprise the Board of any major concerns expressed by shareholders.

Each Committee of the Board is empowered to engage external advisors as it sees fit. Any individual director is entitled to engage an outsider advisor at the expense of the Company provided such director has obtained the approval of the Corporate Governance and Nominating Committee to do so.

The roles of each of the Chairman and the Chief Executive Officer will be as set forth in position statements as may be established by the Board from time to time.

This Mandate will be reviewed periodically by the Board of Directors of the Company and supplemented as required from time to time.

### **The Roles of the Board of Directors**

The Board fulfills its mandate through direct oversight, setting policy, appointing committees and appointing management. Specific responsibilities include the following:

1. Approving the issuance of any securities of the Company.
2. Approving the incurrence of any debt by the Company outside the ordinary course of business.
3. Reviewing and approving the annual and quarterly capital and operating budgets.
4. Reviewing and approving major deviations from the capital and operating budgets.
5. Approving the annual financial statements and quarterly financial statements, including the Management Discussion & Analysis, information circulars, annual information forms, annual reports, offering memorandums and prospectuses.
6. Approving material investments, dispositions and joint ventures, and approving any other major initiatives outside the scope of approved budgets.
7. Reviewing and approving the Company's strategic plans, adopting a strategic planning process and monitoring the Company's performance.
8. Reviewing and approving the Company's incentive compensation plans.
9. Determining the composition, structure, processes, and characteristics of the Board and the terms of reference of committees of the Board, and establishing a process for monitoring the Board and its directors on an ongoing basis.
10. Appointing Nominating and Corporate Governance Committee, an Audit Committee, a Compensation and Benefits Committee and other Board Committees and delegating to any such committees powers of the Board as appropriate and legally permissible.
11. Nominating the candidates for the Board to the shareholders, based on recommendations from the Nominating and Corporate Governance Committee.
12. Ensuring an appropriate orientation and education program for new directors is provided.
13. Determining whether individual directors meet the requirements for independence under applicable regulatory requirements.
14. Monitoring the ethical conduct of the Company and ensuring that it complies with applicable legal and regulatory requirements.
15. Ensuring that the directors that are independent of management have the opportunity to meet regularly.

16. Reviewing this Mandate and other Board policies and terms of reference for Committees in place from time to time and propose modifications as applicable.
17. Appointing and monitoring the performance of senior management, formulating succession plans for senior management and, with the advice of the Compensation and Benefits Committee, approving the compensation of senior management.
18. Ensuring policies and processes are in place for identifying principal business risks and opportunities for the Company, addressing the extent to which such risks are acceptable to the Company, and ensuring that appropriate systems are in place to manage risks.
19. Ensuring policies and processes are in place to ensure the integrity of the Company's internal control, financial reporting and management information systems.
20. Ensuring appropriate policies and processes are in place to ensure the Company's compliance with applicable laws and regulations, including timely disclosure of relevant corporate information and regulatory reporting.
21. Exercising direct control during periods of crisis.
22. Serving as a source of advice to senior management, based on directors' particular backgrounds and experience.
23. Ensuring that the directors have direct access to management and, as necessary and appropriate, independent advisors.
24. Ensuring evaluations of the Board and committee are carried out at least annually.

#### **Organization of the Board of Directors**

**Independence:** The Company intends to monitor best practices recommendations and to fully comply with the corporate governance requirements relating to the composition and independence of board and committee members under applicable legislation and stock exchange rules by the date of the effectiveness of such legislation and rules or earlier and, through the Nominating and Corporate Governance Committee, to identify additional qualified board candidates where required to meet such requirements. Consider flexibility not to fully comply and note reasons in AR

**Fees:** The Board shall establish guidelines for determining the form and amount of director compensation.

**Committees:** The Company has an Audit Committee, a Compensation and Benefits Committee and a Nominating and Corporate Governance Committee. The Company will have such other committees of the Board as may be required from time to time.

#### **Meetings**

The Board holds regular annual and quarterly meetings. Between the quarterly meetings, the Board meets on an ad hoc basis as required, generally by means of telephone conferencing facilities. As part of the annual and quarterly meetings, the outside directors also have the opportunity to meet separate from management. Management also communicates informally with members of the Board on a regular basis, and solicits the advice of Board members falling within their specific knowledge and experience. Each director shall review all Board meeting materials which shall be sent to him 10 days in advance of each meeting and shall make all reasonable efforts for attendance at all Board and Board Committee meetings.