
CSI WIRELESS INC.

NOTICE OF SPECIAL AND ANNUAL GENERAL MEETING

and

INFORMATION CIRCULAR – PROXY STATEMENT

WITH RESPECT TO THE

**SPECIAL AND ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

TO BE HELD MAY 25, 2005

CSI WIRELESS INC.
NOTICE OF
SPECIAL AND ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that a Special and Annual General Meeting (the "**Meeting**") of the shareholders of CSI Wireless Inc. (the "**Corporation**" or "**CSI**") will be held at the offices of CSI Wireless Inc., 4110 – 9th Street S.E., Calgary, Alberta on Wednesday May 25, 2005 at 3:00 p.m. in the afternoon (Calgary time) for the following purposes:

1. To receive and consider the financial statements of the Corporation, together with the report of the auditors thereon, for the year ended December 31, 2004;
2. To fix the number of Directors to be elected at the Meeting at nine (9);
3. To elect Directors for the ensuing year;
4. To appoint auditors for the ensuing year and to authorize the Board to fix their remuneration;
5. To consider and, if thought advisable, to pass an ordinary resolution approving certain amendments to the Share Option Plan of the Corporation, all as more particularly described in the Information Circular – Proxy Statement dated April 5, 2005; and
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular - Proxy Statement accompanying and forming part of this Notice.

The Directors of the Corporation have fixed a record date for the purpose of determining the shareholders entitled to receive notice of the Meeting. Each person who is a holder of common shares of record at the close of business on April 5, 2005 (the "**Record Date**") will be entitled to notice of, and to attend and vote at, the Meeting except, to the extent that such a shareholder transfers the ownership of any of his/her shares after the Record Date and the transferee of those shares establishes that he/she owns such shares and demands, not later than ten days before the Meeting, that his/her name be included in the list of shareholders entitled to vote at the Meeting, such transferee will be entitled to vote such shares at the Meeting.

Shareholders of the Corporation who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and to mail it to or deposit it with the Corporation, c/o Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. In order to be valid and acted upon at the Meeting, instruments of proxy must be returned to the aforesaid address not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment thereof.

DATED at Calgary, Alberta, this 5th day of April, 2005.

BY ORDER OF THE BOARD OF DIRECTORS

(signed)"Stephen A. Verhoeff"

Chief Executive Officer

TABLE OF CONTENTS

	Page
GLOSSARY OF TERMS	1
PART I - INTRODUCTION.....	2
PART II - GENERAL PROXY INFORMATION.....	2
Solicitation of Proxies	2
Appointment of Proxies	2
Revocability of Proxy.....	3
Persons Making the Solicitation	3
Exercise of Discretion.....	3
Advice to Beneficial Holders of Securities.....	4
PART III - MATTERS TO BE ACTED UPON AT THE MEETING	5
Election of Directors.....	5
Appointment of Auditors.....	7
Ratification and Approval of Amendments to the Employee Share Option Plan	7
PART IV - INFORMATION CONCERNING THE CORPORATION	10
VOTING SHARES AND PRINCIPAL HOLDERS THEREOF.....	10
EXECUTIVE COMPENSATION.....	10
Compensation of Executive Officers.....	10
Option Grants.....	11
Option Exercises.....	12
Securities Authorized For Issuance Under Equity Compensation Plans	12
Executive Employment Contracts and Termination of Employment	13
Share Option Plans	13
Compensation Committee	14
Report of Compensation Committee.....	14
Compensation of Directors.....	16
INDEBTEDNESS OF DIRECTORS AND OFFICERS.....	17
CORPORATE GOVERNANCE.....	17
INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON AT THE MEETING	23
INTERESTS OF INSIDERS IN MATERIAL TRANSACTIONS	23
OTHER MATTERS.....	23
ADDITIONAL INFORMATION	23

GLOSSARY OF TERMS

The following is a glossary of certain terms used in this Information Circular.

"**Board**" or "**Board of Directors**" means the board of directors of CSI as presently constituted;

"**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday when banks are generally open for the transaction of banking business;

"**Common Shares**" means the common shares of CSI, as presently constituted;

"**Corporation**" or "**CSI**" means CSI Wireless Inc., a corporation incorporated pursuant to the laws of the Province of Alberta;

"**Director**" means a director of the Corporation;

"**Guidelines**" means the guidelines adopted by the TSX relating to corporate governance matters;

"**Information Circular**" means the information circular – proxy statement dated April 5, 2005 in respect of the Meeting;

"**Meeting**" means the special and annual general meeting of the shareholders of CSI to be held on May 25, 2005;

"**Plan**" means the share option plan of the Corporation, as amended;

"**Record Date**" means the record date for the Meeting, being April 5, 2005; and

"**TSX**" means the Toronto Stock Exchange.

CSI WIRELESS INC.**INFORMATION CIRCULAR - PROXY STATEMENT
dated April 5, 2005****Special and Annual General Meeting of Shareholders
to be held on May 25, 2005****PART I - INTRODUCTION**

This Information Circular - Proxy Statement is furnished in connection with the solicitation of proxies by the management of CSI Wireless Inc. (the "Corporation" or "CSI") for use at the Special and Annual General Meeting of Shareholders of the Corporation (the "Meeting") to be held at the offices of CSI Wireless Inc., 4110 – 9th Street S.E., Calgary, Alberta on Wednesday, May 25, 2005 at 3:00 p.m. in the afternoon (Calgary time) and at any adjournment thereof, and on every ballot that may take place in consequence thereof, for the purposes set forth in the Notice of Special and Annual General Meeting of Shareholders.

Unless otherwise stated, the information contained in this Information Circular is given as at April 5, 2005.

No person has been authorized by CSI to give any information or make any representations in connection with the transactions herein described other than those contained in this Information Circular and, if given or made, any such information or representation must not be relied upon as having been authorized by CSI.

PART II - GENERAL PROXY INFORMATION**Solicitation of Proxies**

The Board of Directors has fixed the record date for the Meeting at the close of business on April 5, 2005 (the "Record Date"). Only holders of Common Shares of record as at that date are entitled to notice of the Meeting. Shareholders of record will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he owns such shares, demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

At the close of business on April 5, 2005, there were 33,736,470 Common Shares issued and outstanding. Two persons present in person and holding or representing not less than five (5%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

Appointment of Proxies

Instruments of proxy must be mailed so as to reach or be deposited with the Corporation, • Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours, excluding Saturdays, Sundays and holidays, preceding the Meeting or any adjournment thereof.

Instruments of proxy must be in writing and must be executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. Persons signing as executors, administrators, trustees, etc. should so indicate and give their full title as such.

The persons named in the enclosed Instrument of Proxy are officers and directors of the Corporation. Each shareholder has the right to appoint a person or persons, who need not be shareholders of the Corporation, other than the persons designated in the Form of Proxy furnished by the Corporation, to attend and act on such shareholder's behalf at the Meeting. To exercise such right, the names of management's nominees may be crossed out and the name(s) of the shareholder's nominee(s) legibly printed in the blank space provided, or another appropriate instrument of proxy may be submitted.

Revocability of Proxy

An instrument of proxy may be revoked at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by depositing an instrument in writing executed by the shareholder or by its attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited at the registered office of the Corporation, 4110 - 9th Street S.E., Calgary, Alberta, T2G 3C4, at any time up to and including the last business day before the day of the Meeting, or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits the proxy is revoked.

Persons Making the Solicitation

This solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Instrument of Proxy, the Notice of Special and Annual General Meeting of Shareholders and this Information Circular - Proxy Statement will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, telephone or other means of communication by directors, officers and employees of the Corporation, none of whom will be specifically remunerated therefor.

Exercise of Discretion

The shares represented by the Instrument of Proxy furnished by the Corporation, where the shareholder specifies a choice with respect to any matter to be acted upon, will be voted or withheld from voting on any ballot in accordance with the specification so made. **In the absence of such specification, such shares will be voted in favour of the matters described in the Notice of Special and Annual General Meeting of Shareholders. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and with respect to any other matters which may properly be brought before the Meeting or any adjournment thereof. At the time of the printing of this Information Circular - Proxy Statement, the management of the Corporation knows of no such amendment, variation or other matter.**

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many public shareholders of CSI, as a substantial number of the public shareholders of CSI do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of CSI as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of CSI. Such 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 acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of CSI do not know for whose benefit the shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their 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 to registered shareholders. However, its purpose is limited to instructing the registered shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications ("**ADP**"). If you receive a voting instruction form from ADP or another intermediary it cannot be used as a proxy to vote shares directly at the meeting as the proxy must be returned (or otherwise reported as provided in the voting instruction form) as described in the voting instruction form well in advance of the meeting in order to have the shares voted.

There are two kinds of Beneficial Shareholders – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners).

Up until September 2002, issuers (including the directors and officers of the Corporation) had no knowledge of the identity of any of their Beneficial Shareholders including NOBOs. Subject to the provision of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of Reporting Issuers* ("**N.I. 54-101**"), however, after September 1, 2002 issuers could request and obtain a list of their NOBOs from intermediaries via their Transfer Agents. Prior to September 1, 2004 issuers could obtain this NOBO list and use it for specific purposes connected with the affairs of the Corporation except for the distribution of proxy-related materials directly to NOBOs. This was stage one of the implementation of N.I. 54-101. Effective for shareholder meetings taking place on or after September 1, 2004 issuers can obtain and use this NOBO list for distribution of proxy-related materials directly (not via ADP) to NOBOs. This is stage two of the implementation of N.I. 54-101.

This year, the Corporation has decided to take advantage of those provisions of N.I. 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form ("**VIF**") from our Transfer Agent, Computershare Trust Company of Canada (or Computershare Investor Services Inc. as the case might be) (collectively, "**Computershare**"). These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

PART III - MATTERS TO BE ACTED UPON AT THE MEETING

Election of Directors

The Board presently consists of nine (9) Directors, the term of office of each of whom will expire at the Meeting unless directors are not elected at the Meeting (in which case the incumbent directors continue in office until their successors are elected).

The Articles of the Corporation specify that the Board of Directors shall consist of a minimum of three and a maximum of eleven directors. At the Meeting, shareholders will be asked to fix, at nine (9) members, the number of directors to be elected at the Meeting and to elect nine (9) directors to hold office until the next annual general meeting of the Corporation or until their successors are elected or appointed.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at nine (9) members and in favour of the election as directors of the nine (9) nominees hereinafter set forth:

Michael W. Brower	Paul L. Camwell
Paul G. Cataford	Brian J. Hamilton
Richard W. Heiniger	Michael J. Lang
Hamid Najafi	Stephen A. Verhoeff
Howard W. Yenke	

The names and municipalities of residence of the persons nominated for election as directors, the number of Common Shares beneficially owned, directly or indirectly, or over which each exercises control or direction, the offices held by each in the Corporation, the period served as director and the principal occupation of each are as follows:

<u>Name and Municipality of Residence and Position with the Corporation</u>	<u>Principal Occupation During the Last Five Years</u>	<u>Director Since</u>	<u>Number of Common Shares Beneficially Owned Directly or Indirectly or Over which Control or Direction is Exercised</u>
Stephen A. Verhoeff Calgary, Alberta President, Chief Executive Officer and a Director	President and Chief Executive Officer of the Corporation	1990	608,504 ⁽¹⁾

Name and Municipality of Residence and Position with the Corporation	Principal Occupation During the Last Five Years	Director Since	Number of Common Shares Beneficially Owned Directly or Indirectly or Over which Control or Direction is Exercised
Brian J. Hamilton ⁽²⁾ Calgary, Alberta Director	Financial Consultant since 2003; prior thereto, Chief Financial Officer of the Corporation	1996	Nil ⁽⁶⁾
Hamid Najafi Los Altos Hills, California Director	Independent Consultant and President, Broadlink Research Inc. (a private consulting company)	2000	293,900 ⁽⁷⁾
Michael W. Brower Felton, California Director	President, Fall Creek Consultants Inc. (a private consulting company)	2000	177,810 ⁽⁸⁾
Michael J. Lang ⁽²⁾⁽³⁾ Calgary, Alberta Non-Executive Chairman and Director	Chairman, StoneBridge Merchant Capital Corp. (a private investment company)	1996	516,005 ⁽⁵⁾
Howard W. Yenke ⁽³⁾ Onset, Massachusetts Director	Retired Executive	1996	30,000 ⁽⁹⁾
Paul L. Camwell ⁽²⁾⁽⁴⁾ Calgary, Alberta Director	Chief Technology Officer of Extreme Engineering Ltd. (a private engineering firm)	1998	24,562 ⁽¹⁰⁾
Paul G. Cataford Calgary, Alberta Director	President & CEO of University Technologies International Inc. (owned by the University of Calgary, is a technology commercialization company) ⁽¹²⁾	2004	3,000 ⁽¹¹⁾
Richard W. Heiniger Parkville, Missouri Director	CEO, RHS Inc. (a private company in marketing and distribution business)	Nominee	Nil

Notes:

- (1) An additional 122,300 Common Shares are owned by the Verhoeff Family Trust, of which Mr. Verhoeff is the trustee and a beneficiary. Excludes options to purchase an aggregate of 440,000 common shares at prices ranging from \$1.67 to \$2.65 per common share.
- (2) Members of the Corporation's Audit Committee.
- (3) Members of the Corporation's Compensation Committee.
- (4) Members of the Corporation's Corporate Governance Committee.
- (5) The amount excludes options to purchase an aggregate of 213,000 Common Shares at prices ranging from \$1.67 to \$2.65 per common share.
- (6) Excludes options to purchase an aggregate of 98,000 Common Shares at the price of \$1.67 per Common Share.
- (7) Excludes options to purchase an aggregate of 100,000 Common Shares at the price of \$3.05 per Common Share.
- (8) Excludes options to purchase an aggregate of 30,000 Common Shares at prices ranging from \$1.66 to \$2.70 per Common Share.
- (9) Excludes options to purchase an aggregate of 50,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (10) Excludes options to purchase an aggregate of 50,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.

- (11) Excludes options to purchase an aggregate of 50,000 Common Shares at the price of \$2.70 per Common Share.
- (12) Prior to joining University Technologies International Inc. in April of 2004, Mr. Cataford was the Managing Partner of HorizonOne Asset Management, a Toronto-based private equity boutique which he co-founded in 2001. Prior to that Mr. Cataford was Executive Managing Director of BMO Nesbitt Burns Equity Partners.
- (13) The Corporation has an Executive Committee consisting of Stephen Verhoeff, Cameron Olson, Colin Maclellan and Theresa Lea.

The information as to principal occupation and as to shares beneficially owned, directly or indirectly, or over which control or direction is exercised is based upon information provided by the nominees as of April 5, 2005. Each of the above nominees is a director of the Corporation elected at the last annual general meeting of shareholders of CSI except for Paul Cataford and Rick Heiniger.

No director has had a cease trade order or similar regulatory orders or bankruptcy or similar proceedings against directors or companies which they have been directors or officers of within 10 years other than Michael J. Lang who was previously a director of Beau Canada Exploration Ltd. One of the companies acquired by Beau Canada Exploration Ltd. was Environmental Technologies Inc. ("ETI"). After the acquisition, Michael J. Lang became a director of ETI. ETI was issued a cease trade order on August 28, 1997. Michael J. Lang subsequently resigned as a director of ETI and ETI was wound up.

Appointment of Auditors

The persons named in the Instrument of Proxy furnished by the Corporation intend, unless otherwise directed, to vote in favour of an ordinary resolution to reappoint the firm of KPMG, LLP, Chartered Accountants, to serve as auditors of the Corporation to hold office until the next annual general meeting of shareholders and to authorize the Board to fix their remuneration. KPMG, LLP, Chartered Accountants, were originally appointed as auditors of the Corporation on January 1, 1996.

The Audit Committee reviews the annual audit fees and considers the issue of auditor independence in the context of all services provided to the Corporation.

Certain information regarding CSI's audit committee, including the fees paid to CSI's auditors in the last fiscal year, that is required to be disclosed in accordance with Multilateral Instrument 52-110 of the Canadian Securities Administrators will be contained in CSI's renewal annual information form for the year ended December 31, 2004, an electronic copy of which is available on the internet on CSI's SEDAR profile at www.sedar.com.

Ratification and Approval of Amendments to the Employee Share Option Plan

At an annual and special meeting of shareholders held on May 27, 2004, the Corporation's share option plan (the "Plan") as previously adopted by the Board and approved by the shareholders of the Corporation, was further amended to provide that the aggregate number of common shares issuable under the Plan was not to exceed 5,600,000 common shares. As at the date hereof, there are approximately 3,488,403 options to purchase common shares outstanding under the Plan.

Effective January 1, 2005, the TSX implemented amendments to the TSX Company Manual, including amendments to security based compensation arrangements such as the Plan, to allow for TSX listed issuers to adopt "rolling maximum/evergreen" plans. Effective April 5, 2005, the Board of Directors of the Corporation approved of certain amendments to the Plan, subject to regulatory and shareholder approval as required. Specifically, the Plan has been amended as follows:

- I. to delete reference to a maximum number of shares issuable or reserved pursuant to the Plan, and provide that the maximum number of Common Shares issuable pursuant to the Plan shall be

a "rolling maximum" equal to 15% of the outstanding Common Shares. Any increase in the issued and outstanding Common Shares will result in an increase in the available number of Common Shares issuable under the plan, and any exercises of options will make new grants available under the Plan;

2. to provide that the Committee which administers the Plan has the discretion to accelerate or provide for the acceleration of the vesting of options previously granted and, in some such circumstances, to provide for the termination of the options on payment to the optionee of an amount in cash equal to the difference between the strike price of the options and the transaction price being paid on a per share basis under the take-over bid or change of control transaction;
3. to allow for options to be granted to a company either (i) wholly-owned by any person to whom options may otherwise be granted hereunder; or (ii) controlled by any person to whom options may otherwise be granted hereunder (and the shares of which are held directly or indirectly by any such person and such person's spouse, minor children and/or minor grandchildren), subject to any requirements of any applicable regulatory authority having jurisdiction;

(The above amendment is intended to assist participants in the Plan to conduct tax planning, if desired.)

4. to allow for the directors, by resolution, to amend the Plan without shareholder approval, however, the directors will not be entitled to amend a share option grant for a share option held by an insider to lower the exercise price or to extend the expiry date.

The TSX's changes include a requirement that all security based compensation arrangements, including stock option plans, be approved by shareholders every 3 years.

The Plan will continue to have the following features:

1. directors, officers, employees and consultants, or those of subsidiaries, are eligible to receive options under the Plan;
2. the Plan provides that the aggregate number of Common Shares reserved for issuance to any one person under the Plan, together with all other share compensation arrangements of the Corporation, must not exceed 5% of the then outstanding Common Shares (calculated on a non-diluted basis);
3. the Plan also provides that the number of Common Shares together with all of the Corporation's other previously established or proposed share compensation arrangements: (i) issuable (or reserved for issuance) to Insiders will not exceed 10% of the outstanding Common Shares; (ii) issued to Insiders within any one year period will not exceed 10% of the Outstanding Common Shares; and (iii) which may be issued to any one Insider and such Insider's associates within a one year period will not exceed 5% of the Outstanding Common Shares;
4. any options granted pursuant to the Plan shall be non-assignable;
5. the vesting arrangements are within the discretion of the Board;
6. the exercise price for options is equal to the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant;

7. the term of stock option grants are within the discretion of the Board, but cannot be longer than 10 years;
8. the Plan provides that the Board, or a committee thereof, shall, with the approval of the Optionee, if required, amend the terms of the option granted under the Plan without the approval of shareholders, unless otherwise required by the TSX; however, the Board or a committee thereof shall not be entitled to amend any option held by an insider to lower the exercise price or to extend the expiry date of the options without the approval of the TSX and, if required by the TSX, shareholder approval; and
9. options terminate within a period of time following an optionholder ceasing to be at least one of an employee, director, officer or consultant of the Corporation or of a subsidiary of the Corporation. However, in the event of death, options will expire at the earlier of the end of the original option period or 12 months after the death date.

Accordingly, at the Meeting, the following ordinary resolution will be presented:

BE IT RESOLVED, as an ordinary resolution of the shareholders of CSI Wireless Inc. (the "Corporation"), that:

1. the share option plan of the Corporation shall be amended as described under the heading "Ratification and Approval of Amendment to the Share Option Plan" in the information circular relating to this meeting with such other conforming changes as the Board considers appropriate based on the amendments to the TSX Company Manual; and
2. any one officer or director of the Corporation be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolution; and
3. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the proposed amendment to the Plan is conditional upon receipt of final approval from the TSX and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors.

The resolution to amend the Plan referred to as the "Share Option Rolling Plan Resolution", must be approved by a simple majority of votes cast by shareholders who vote in person or by proxy at the Meeting in respect of this resolution, being a majority of the votes cast at the meeting by shareholders on the resolution.

PART IV - INFORMATION CONCERNING THE CORPORATION

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Corporation consists of an unlimited number of Common Shares, an unlimited number of First Preferred Shares and an unlimited number of Second Preferred Shares, both of which are issuable in series. As at April 5, 2005, there were 33,736,470 Common Shares issued and outstanding. Two persons present in person and holding or representing not less than five (5%) percent of the Common Shares entitled to vote thereat will constitute a quorum at the Meeting.

The holders of Common Shares are entitled to receive notice of all shareholders meetings (other than meetings of a class or series of shares of the Corporation other than the Common Shares) and to one (1) vote thereat for each share held. The holders of the Common Shares are entitled to receive such dividends as are declared by the Board of Directors on the Common Shares as a class, subject to prior satisfaction of all preferential rights to dividends attached to all shares of the Corporation ranking in priority to the Common Shares, and in respect of return of capital, the holders of Common Shares are entitled to share pro rata together with the holders of any other classes of shares ranking equally with the Common Shares in such assets of the Corporation as are available for distribution.

The Corporation has authorized the first series of First Preferred Shares, being the Series I First Preferred Shares, of which 1,550,000 have been authorized for issuance. As of the date hereof, there are no Series I First Preferred Shares issued and outstanding.

To the knowledge of the directors or senior officers of the Corporation, except as set forth below, no person beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than ten (10%) percent of the voting rights attached to any class of voting securities of the Corporation as at the date hereof.

Name of Shareholder	Number of Common Shares	Percentage of Common Shares
Acuity Investment Management Inc.	3,595,900	10.66%

EXECUTIVE COMPENSATION

Compensation of Executive Officers

The information provided below relates to remuneration paid during the financial years ended December 31, 2004, December 31, 2003 and December 31, 2002 to the Corporation's Chief Executive Officer, the Chief Financial Officer and each of the Corporation's three most highly compensated executive officers (the "**Named Executive Officers**"). All figures are in Canadian dollars unless indicated otherwise.

Summary Compensation Table

		Annual Compensation			Long-Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Other Annual Compensation	Securities Under Options/SARs Granted (#)	Restricted Shares or Restricted Share Units (\$)	LTIP Payouts (\$)	All Other Compensation (\$)
Stephen A. Verhoeff President and Chief Executive Officer	2004	219,300	77,282 ⁽¹⁾	Nil	100,000	Nil	Nil	9,000 ⁽³⁾
	2003	193,500	30,000	Nil	200,000	Nil	Nil	9,000 ⁽³⁾
	2002	183,647	55,000 ⁽²⁾	Nil	Nil	Nil	Nil	9,000 ⁽³⁾
Cameron B. Olson Chief Financial Officer and Vice- President Finance ⁽⁴⁾	2004	157,500	57,360 ⁽⁵⁾	Nil	110,000	Nil	Nil	15,400 ⁽⁶⁾
	2003	136,636	15,000	Nil	90,000	Nil	Nil	34,241 ⁽⁶⁾
	2002	117,227	9,000	Nil	8,000	Nil	Nil	39,767 ⁽⁶⁾
Colin Maclellan Chief Operating Officer	2004	211,736	58,144 ⁽⁷⁾	Nil	60,000	Nil	Nil	9,000 ⁽⁸⁾
	2003	186,724	22,000	Nil	50,000	Nil	Nil	64,939 ⁽⁸⁾
	2002	64,817	Nil	Nil	175,000	Nil	Nil	136,590 ⁽⁸⁾
Michael Whitehead Chief Scientist, GPS	2004	141,075US	30,053US ⁽⁹⁾	Nil	20,000	Nil	Nil	Nil
	2003	135,000US	Nil	Nil	20,000	Nil	Nil	Nil
	2002	119,125US	Nil	Nil	Nil	Nil	Nil	Nil
Scott Terry Chief Engineer, Wireless	2004	148,720US	Nil	Nil	10,000	Nil	Nil	19,884 ⁽¹⁰⁾
	2003	143,000US	Nil	Nil	30,000	Nil	Nil	50,565 ⁽¹¹⁾
	2002	123,521US	Nil	Nil	Nil	Nil	Nil	45,718 ⁽¹²⁾

Notes:

- (1) Represents bonus earned in 2004, of which \$58,500 was paid in 2004 and \$18,782 was paid in 2005.
- (2) Represents bonus earned in 2002, of which \$27,500 was paid in 2002 and \$27,500 was paid in 2003.
- (3) Mr. Verhoeff receives a car allowance of \$750 per month.
- (4) Mr. Olson assumed the role of Chief Financial Officer and Vice-President Finance effective October 15, 2003. Prior to this, Mr. Olson was Vice-President Finance, Wireless.
- (5) Represents bonus earned in 2004, of which \$43,500 was paid in 2004 and \$13,860 was paid in 2005.
- (6) Mr. Olson received a car allowance of \$9,000 (\$9,000 in 2003 and 2002) and shares under the Incentive Share Administration Plan of \$25,241 in 2003 and \$30,767 in 2002.
- (7) Represents bonus earned in 2004, of which \$20,000 was paid in 2004 and \$38,144 was paid in 2005.
- (8) Mr. Maclellan received a car allowance of \$9,000 (\$9,000 in 2003 and \$3,375 in 2002) and shares under the Incentive Share Administration Plan of \$55,939 in 2003 and \$97,215 in 2002. In 2002, Mr. Maclellan also received \$36,000 of consulting fees prior to becoming an employee of the Corporation.
- (9) Represents bonus earned in 2004, of which \$1,800 US was paid in 2004 and \$28,253 US was paid in 2005.
- (10) Represents forgiveness of loans granted to assist in payment of tax withholdings relating to shares received under the Incentive Share Administration Plan.
- (11) \$31,188 US of this amount represents loan forgiveness and \$19,377 US of this amount represents shares received under the Incentive Share Administration Plan.
- (12) Represents the value of shares received under the Incentive Share Administration Plan.
- (13) During 2004, there were eleven executive officers of the Corporation. In respect of the financial year ended December 31, 2004, the eleven executive officers received, in the aggregate, cash remuneration of \$1,384,367 CDN and \$469,848 US.

Option Grants

The Corporation has from time to time, issued options to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Corporation and its subsidiaries. Pursuant to the Corporation's share option plan the aggregate number of Common Shares that may be issued pursuant to the exercise of options shall not exceed 5,600,000. The exercise price of such options cannot be less than the market price of the Common Shares on the stock exchange on which such shares are then traded.

The following table details the grants of options to purchase Common Shares of the Corporation to the Named Executive Officers during the financial year ended December 31, 2004.

Name	Options Granted in 2004	% of Total Options Granted to Employees ⁽¹⁾	Exercise Price (\$/share)	Market Value of Common Share on the Date of Grant ⁽²⁾ (\$/share)	Expiry Date
Stephen A. Verhoeff	100,000	6.65%	2.65	2.65	June 22, 2009
Cameron Olson	50,000 60,000	3.33% 3.99%	1.76 2.65	1.76 2.65	January 22, 2009 June 22, 2009
Colin Maclellan	60,000	3.99%	2.65	2.65	June 22, 2009
Michael Whitehead	20,000	1.33%	2.65	2.65	June 22, 2009
Scott Terry	10,000	0.67%	2.65	2.65	June 22, 2009

Notes:

- (1) During the financial year ended December 31, 2004 a total of 1,275,000 options to purchase Common Shares were granted under the Plan.
- (2) Based on the closing price of the Common Shares on the TSX on the trading day immediately preceding the date of grant.

Option Exercises

The following table sets forth information with respect to options exercised by the Named Executive Officers during the most recently completed financial year and their respective option positions as at December 31, 2004.

Name	Options Exercised (#)	Aggregate Value Realized ⁽¹⁾ (\$)	Unexercised Options at Financial Year End Exercisable/ Unexercisable (#)	Value of Unexercised in-the-money Options at Financial Year End Exercisable/ Unexercisable ⁽²⁾ (\$)
Stephen A. Verhoeff	Nil	N/A	298,333/141,667	681,782/310,418
Cameron Olson	4,000	6,400	117,611/106,389	312,181/238,639
Colin Maclellan	Nil	N/A	192,639/92,361	353,439/186,861
Michael Whitehead	40,000	29,810	22,222/27,778	57,655/58,945
Scott Terry	Nil	Nil	90,432/13,889	211,220/29,473

Notes:

- (1) Based upon market value of the Common Shares at exercise, less the exercise price.
- (2) Based upon a closing price on the TSX of \$4.38 per Common Share on December 31, 2004, less the exercise price.

Securities Authorized For Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans at December 31, 2004.

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 securityholders ⁽¹⁾	3,783,469 Common Shares	\$2.22	1,199,139 Common Shares
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	3,783,469 Common Shares	\$2.22	1,199,139 Common Shares

Note:

(1) Relates to the Corporation's Share Option Plan and the Wireless Acquisition Share Option Plan.

Executive Employment Contracts and Termination of Employment

The Corporation has entered into employment agreements with each of the Named Executive Officers. They provide, *inter alia*, that if employment of Messrs. Verhoeff, Olson and Maclellan is terminated for any reason, other than for cause, they shall be entitled to termination payments equal to the product of twelve plus one, for each completed year of service, times their monthly salary plus benefits, to a maximum of two years salary and benefits at current salary.

Share Option Plans

The Corporation's share option plan permits the granting of options to purchase Common Shares to officers, directors and employees of, and key consultants to, the Corporation. Currently, a maximum of 5,600,000 Common Shares may be reserved for issuance pursuant to the Plan. Since its adoption in April, 1996, approximately 1,011,957 options have been exercised under the Plan, leaving options to purchase approximately 4,588,043 Common Shares or approximately 13.6% of the currently issued and outstanding number of Common Shares available for issuance under the Plan. As at April 5, 2005, there were options to purchase 3,488,403 Common Shares (or approximately 10.3% of the Common Shares outstanding as at such date) outstanding under the Plan.

The Plan also provides, among other things, that:

1. any options granted pursuant to the Plan shall expire not later than ten years after the date of grant;
2. any options granted pursuant to the Plan shall be non-assignable;
3. the exercise price of any options granted pursuant to the Plan shall not be lower than the market price of the Common Shares on the date of the grant, where the "market price" is defined as the closing trading price of the Common Shares on the TSX (as reported by such exchange) on the day immediately prior to the date of the grant;
4. the number of Common Shares issuable pursuant to the Plan to any one person shall not exceed 5% of the outstanding Common Shares; and

5. the number of Common Shares reserved for issuance, or issuable within one year, pursuant to the Plan and all other established or proposed share compensation arrangements of the Corporation to insiders shall not exceed 10% of the outstanding Common Shares and the number of Common Shares issuable within one year pursuant to the Plan and all other established or proposed share compensation arrangements of the Corporation to any one insider and such insider's associates shall not exceed 5% of the outstanding Common Shares.

In connection with its acquisition of Wireless Link Corporation in 2000, the Corporation also adopted the Wireless Link Acquisition Share Option Plan (the "**Wireless Plan**") and reserved 950,000 options to purchase Common Shares for granting to certain directors, officers and employees of Wireless Link in conjunction with such acquisition. The terms of the Wireless Plan are substantially similar to those set forth in the Plan. As at April 5, 2005 there were options to purchase 188,274 Common Shares outstanding and available for exercise under the Wireless Plan or approximately 0.1% of the Common Shares outstanding as at such date. No additional amounts will be issued under the Wireless Plan and all options granted under this plan will expire during 2005. The Plan and the Wireless Plan are hereinafter sometimes referred to as the "**Plans**".

Compensation Committee

The directors of the Corporation established a compensation committee (the "**Committee**") in May, 1996. The Committee is currently comprised of Michael J. Lang and Howard W. Yenke. Neither of these directors are executive officers of the Corporation and all are "unrelated" for the purposes of the TSX Report, as described under "Corporate Governance".

The Committee is charged with the responsibility to oversee the approach of the Corporation to matters concerning director, executive and employee compensation and, from time to time, to make recommendations to the Board of Directors with respect to such matters.

Report of Compensation Committee

TO: The Shareholders of CSI Wireless Inc.

Executive Compensation Strategy

The Corporation's executive compensation program is comprised of three components: salary, bonus plan and stock based compensation. The objectives of the program are to attract and retain high quality employees, and to motivate performance by tying total compensation to improvement in the Corporation's long-term financial success, measured in terms of share value.

Base Salaries

Salaries of the executive officers are reviewed annually based on individual performance, responsibility and experience. The Corporation participates in industry salary surveys, if necessary, to ensure that salaries offered to executives are competitive among industry peer companies of similar size.

Incentive Compensation Plan

The Corporation has established an incentive compensation plan for its executive officers based upon the financial performance of the Corporation for the applicable financial year and the performance of the executive officers. The structure and performance targets of the incentive compensation plan are reviewed annually, and are approved by the Compensation Committee of the Corporation. Bonuses are

also paid out to certain executive officers upon the completion of certain significant events as approved by the Compensation Committee of the Corporation. Remuneration from the incentive compensation plan in the aggregate of \$255,406 Cdn. and \$29,053 US were earned by the executive officers during the financial year ended December 31, 2004; \$113,406 Cdn. and \$28,253 US of these amounts were paid in 2005. Bonuses in the aggregate of \$4,000 Cdn. and \$1,000 US were paid in 2004, but earned in 2003.

Stock-Based Compensation

Stock options under the Corporation's share option plan are granted to executive officers based upon their performance, the performance of the Corporation and the competitive practices of comparable companies. The awarding of stock options serves to motivate the executive officers to focus on the long term interests of the Corporation, which is consistent with the interests of the Corporation's shareholders. Stock options are granted at the market price in effect on the date of grant and the ultimate realizable value of the executives' option grants is entirely dependent on the appreciation in the market price of the Common Shares after the date of the grant.

In prior years, certain executive officers were awarded grants of Common Shares under the Incentive Share Administration Plan. This plan was established in connection with the acquisition of Wireless Link Corporation in June 2000 with a view to ensuring management and employees' continued involvement with the operations and affairs of the Corporation. The final issuance of shares under this program took place in June 2003, whereupon the plan was terminated.

CEO Compensation

The Chief Executive Officer's responsibility is to provide direction and leadership in setting and achieving goals which will create value for the Corporation's shareholders. During 2004, the Corporation's Chief Executive Officer was compensated with a base salary of \$219,300 and a bonus of \$77,282. The salary level was reviewed during 2004 and compared against published data in respect of chief executive officer salaries within the industry.

In addition to the salary, the Chief Executive Officer has the ability to earn a bonus and receive share option grants. The intent of the bonus and share option opportunities is to provide the Chief Executive Officer with incentive to strategically grow the Corporation with such growth to be reflected in the market price of the Corporation's Common Shares, thereby benefiting both the Chief Executive Officer and the shareholders of the Corporation.

Summary

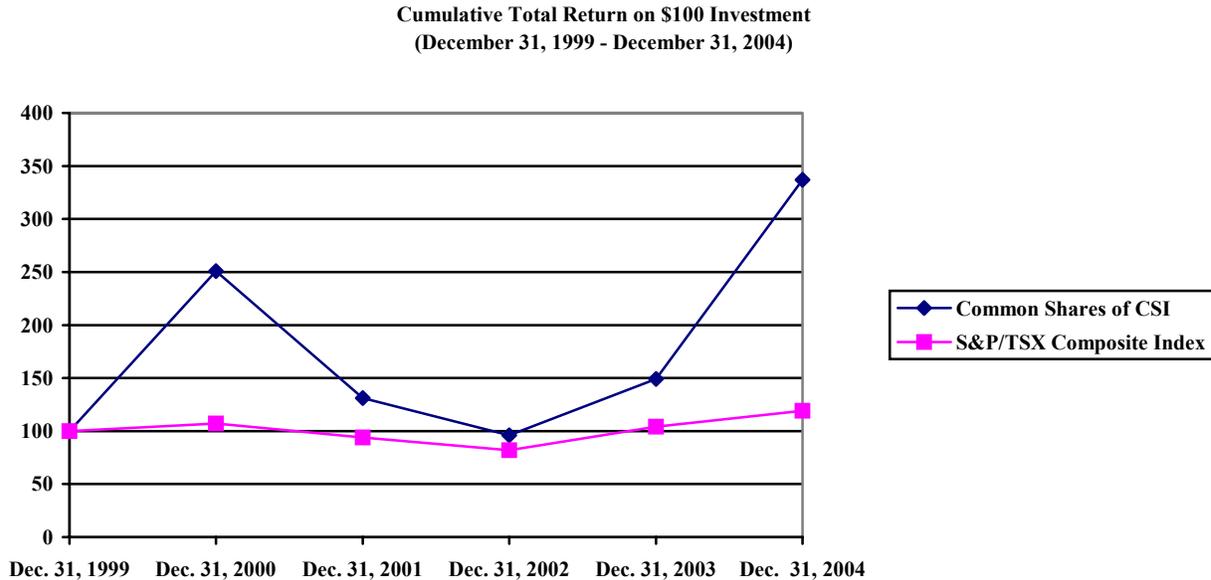
The Corporation's compensation policies have allowed the Corporation to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing shareholder value. Through the plans described above, a significant portion of the Corporation's executive compensation is based on individual and corporate performance and industry-competitive pay practices. The Compensation Committee and the Board of Directors will continue to review compensation policies to ensure that they are competitive within the industry in which the Corporation operates and consistent with the performance of the Corporation.

Presented by the Compensation Committee:

Michael J. Lang
Howard W. Yenke

Performance Graph

The following graph compares the Corporation's cumulative total shareholder return (assuming an investment of \$100 on December 31, 1999) on the Common Shares of the Corporation during the period ended December 31, 2004, with the cumulative total return of the TSX 300 Composite Index for the same period.



	<u>Dec. 31,</u> <u>1999</u>	<u>Dec. 31,</u> <u>2000</u>	<u>Dec. 31,</u> <u>2001</u>	<u>Dec. 31,</u> <u>2002</u>	<u>Dec. 31,</u> <u>2003</u>	<u>Dec. 31,</u> <u>2004</u>
Common Shares of CSI	100	251	131	96	149	337
S&P/TSX Composite Index	100	107	94	82	104	119

Compensation of Directors

Directors who are also executive officers of CSI do not receive compensation for acting in their capacities as directors. Directors of the Corporation who are not executive officers may receive compensation for serving in their capacity as such as determined by the Compensation Committee. An aggregate of \$155,583 was paid to Directors for serving in such capacity during the financial year ended December 31, 2004: Messrs. Camwell, Yenke, and Brower each received \$12,750 for serving as Directors; Mr. Najafi received \$9,205; Mr. Hamilton received 10,250; while Mr. Cataford received \$5,583 for serving as directors; and Mr. Lang received \$12,750 in directors' fees, \$50,000 for his role as Chairman of the Board and an additional \$29,500 for additional services performed in his capacity as a Director. All Directors are reimbursed for out-of-pocket expenses incurred in connection with the performance of their duties.

In addition to serving in their capacities as Directors, certain of the Directors provide consulting services to the Corporation. During the year ended December 31, 2004, Mr. Najafi received consulting fees totalling \$60,000US. Mr. Brower received consulting fees totalling \$23,000US.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

The aggregate indebtedness to the Corporation of all senior officers and directors of the Corporation was \$44,489 US as at April 5, 2005. Details with respect to the outstanding indebtedness are set forth below:

Name and Principal Occupation	Involvement of the Corporation	Largest Amount Outstanding from January 1, 2004 to December 31, 2004 (\$)	Amount Outstanding at April 5, 2005 (\$)	Financially Assisted Securities Purchases from January 1, 2004 to December 31, 2004 (#)	Security for Indebtedness
Scott Terry Chief Engineer, Wireless	Lender	\$44,489US ⁽¹⁾	\$33,367US	Nil	Security on the Common Shares issued and bonus payments

Note:

- (1) In relation to the purchase of Wireless Link Corporation by CSI in June 2000, Mr. Terry had a Promissory Note allowing for the purchase of Wireless Link Shares. CSI Wireless also prepaid the withholding taxes on Incentive Shares that were issued in 2001. The total of these two amounts was \$55,611 US. Effective 2003, the Corporation agreed to forgive the repayment over a 5 year period, rather than Mr. Terry receiving bonuses to repay such amount.

Except as set forth above, no director, executive officer or other senior officer of the Corporation, or any associate of any such director or officer, is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or any of its subsidiaries nor is, or at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE

The Toronto Stock Exchange (TSX) has adopted guidelines to help its listed companies achieve and maintain good corporate governance. Each of the guidelines is listed below, followed a description of CSI's related activities.

Guideline 1 – Stewardship of the Company

The Board of Directors of every corporation should explicitly assume responsibility for the stewardship of the corporation.

The Board of Directors has adopted a Board Mandate (the "**Mandate**"), and terms of reference for each of its committees. The Mandate explicitly makes it responsible for the stewardship of CSI. In discharging this responsibility, Directors exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board:

- defines, in consultation with the CEO, CSI's principal objectives;
- supervises the management of CSI's business and affairs to achieve the principal objectives;
- discharges duties imposed on the Board by applicable laws;
- takes all action that the Board deems necessary to carry out its foregoing responsibilities.

As part of its Mandate, CSI's Board is responsible to perform a variety of specific duties. Many are described below, in relation to other TSX guidelines.

Guideline 1(a) – Strategic Planning Process

As part of the overall stewardship responsibility, the Board of Directors of every corporation should assume responsibility for adoption of a strategic planning process.

The Board's Mandate requires the CEO each year to present to the Board strategic plans, which take into account the risks and opportunities of the business. At least one Board meeting each year is devoted to discussing and considering the plans. Management must seek the Board's approval for any transaction and/or contract that would have a significant impact on the strategic plans, and that would be material to the Corporation.

Guideline 1(b) – Principal Risks

As part of the overall stewardship responsibility, the Board of Directors of every corporation should assume responsibility for identification of the principal risks of the corporation's business and ensuring the implementation of appropriate systems to manage these risks.

The Board has identified the principal risks of the Corporation's business and works with management on an on-going basis to assess and review the management of such risks. The Mandate of the Board provides that the Board will work with management to review the principal risks of the Corporation's business and the steps the Corporation is taking to manage these risks.

Guideline 1(c) – Succession Planning

As part of the overall stewardship responsibility, the board of directors of every corporation should assume responsibility for succession planning, including appointing, training and monitoring senior management.

The CSI Board is responsible, by its Mandate, for choosing the President and CEO, for appointing senior management, and for monitoring their performance. In addition, the Mandate provides that the Board is charged with a duty to, in consultation with the Chief Executive Officer, appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation. The Mandate also provides that the Board shall (i) receive from the Chief Executive Officer his evaluation of the performance of each senior officer who reports to the Chief Executive Officer (ii) develop a system under which succession to senior management positions will occur in a timely manner and (iii) to approve any proposed significant change in the management organization structure of the Corporation.

Guideline 1(d) – Communications Policy

As part of the overall stewardship responsibility, the board of directors of every corporation should assume responsibility for a communications policy for the corporation.

The Mandate provides that the Board, in consultation with the Chief Executive Officer, is responsible for establishing and maintaining a communications policy for the Corporation. The Corporation has adopted a formal Disclosure, Confidentiality and Trading Policy that establishes procedures which: (i) permit the disclosure of information about the Corporation to the public in a timely manner; (ii) ensure that non-publicly disclosed information remains confidential; and (iii) ensure that trading of the Corporation's securities by directors, officers and employees remain in compliance with applicable

securities laws. The Corporation currently communicates with its shareholders and other stakeholders through various channels that include annual and quarterly reports, news releases, statutory filings, the internet and an investor relations firm. The Board and the Chief Executive Officer have delegated shareholder relations responsibilities to E-Vestor Communications Inc. of Toronto, Ontario to provide investor relations services. Shareholder communications are generally handled by E-Vestor Communications Inc. as well as by the Chief Executive Officer and the Chief Financial Officer of the Corporation.

Guideline 1(e) – Integrity of Internal Control

As part of the overall stewardship responsibility, the board of directors of every corporation should assume responsibility for the integrity of the corporation's internal control and management information systems.

The Audit Committee, by its terms of reference, is responsible to monitor and consider the integrity of CSI's financial reporting and internal control processes. In order to carry out this responsibility, the Audit Committee consults with management representatives and with the Corporation's external auditor.

Guideline 2 – Board Independence

The board of directors of every corporation should be constituted with a majority of individuals who qualify as unrelated directors.

Five of CSI's eight directors, including the non-executive Chairman, are considered by the Corporation to be unrelated. These directors are not a part of CSI's management and are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interest of the Corporation, other than interests and relationships arising from shareholding. These directors do not receive any financial compensation from the Corporation other than fees and share options related to services provided in their capacity as directors. The three related directors are Stephen A. Verhoeff, CSI's President and CEO; and Michael W. Brower and Hamid Najafi, both of whom do occasional consulting work for CSI and receive fees accordingly.

Guideline 3 – Individual Unrelated Directors

The application of the definition of "unrelated" director to the circumstances of each individual director should be the responsibility of the Board which will be required to disclose on an annual basis whether the Board has a majority of unrelated directors.

The Corporate Governance Committee is responsible to analyze the relationships of each director, through his or her involvement with CSI and with other enterprises, and to make recommendations to the Board as to whether directors should be classified as "related" or "unrelated".

Guideline 4 – Nominating Committee

The board of directors of every corporation should appoint a committee of directors composed exclusively of outside (non-management) directors, a majority of whom are unrelated directors, with the responsibility for proposing to the full board new nominees to the board.

The Board's Corporate Governance Committee, which consists entirely of unrelated outside directors, is responsible to develop and maintain a list of potential candidates for Board membership, and when necessary, to review, interview, and recommend nominees to the full Board. Nominees must possess general business management experience, together with specific experience in areas of strategic interest to CSI. Nominees must also be willing and able to devote the required time and energy to Board responsibilities, and to support the Corporation's mission and strategic objectives.

Guideline 5 – Assessing the Board's Effectiveness

Every board of directors should implement a process to be carried out by the nominating committee or other appropriate committee for assessing the effectiveness of the Board as a whole, the committees of the Board, and the contribution of individual directors.

The Corporate Governance Committee is responsible by its terms of reference to evaluate the effectiveness of the Board, committees and individual directors. The Committee surveys directors using a standardized evaluation form to provide feedback on the effectiveness of the Board. The Committee, with the participation of the Chairman, recommends changes to enhance Board performance based on survey feedback.

Guideline 6 – Orientation and Education of Directors

Every corporation, as an integral element of the process for appointing new directors, should provide an orientation and education program for new recruits to the board.

The Corporate Governance Committee is responsible by its terms of reference to develop and maintain orientation and education programs for new directors. The Corporation does not currently have a formal orientation and education program for new directors however, the Corporate Governance Committee proposes to table such item at a meeting of the Committee prior to the end of 2005. One new director (Mr. Paul Cataford) has been recently added to the Board. The Corporate Governance Committee is confident that Mr. Cataford adequately understands CSI's business in order to be an effective board member. A new member, Mr. Richard Heiniger, is being proposed as a nominee for election at the upcoming annual and special meeting of the shareholders. The Corporate Governance Committee believes that Mr. Heiniger adequately understands CSI's business and will be an effective board member.

Guideline 7 – Effective Board Size

Every board of directors should examine its size and, with a view to determining the impact of the number upon effectiveness, undertake where appropriate, a program to reduce the number of directors to a number which facilitates more effective decision-making.

The Board of Directors has determined that six to nine members is an appropriate number of directors having regard to the size of the Corporation and the nature of its business and operations. At the current time, the Board's anticipated expanded size, to nine directors, is viewed as being effective.

Guideline 8 – Compensation of Directors

The board of directors should review the adequacy and form of the compensation of directors, and ensure the compensation realistically reflects the responsibilities and risk involved in being an effective director.

The Compensation Committee, which is comprised entirely of unrelated outside directors, is responsible to review directors' compensation, and where appropriate to make recommendations to change directors' compensation. To make its recommendations, the Committee takes into account the nature and amount of compensation paid to directors of comparable publicly traded Canadian companies and the circumstances of the Corporation.

Guideline 9 – Committees and Outside Directors

Committees of the board of directors should generally be composed of outside (non-management) directors, a majority of whom are unrelated directors.

The Compensation Committee, the Audit Committee, and the Corporate Governance Committee are all composed entirely of outside, unrelated directors.

Guideline 10 – Approach to Corporate Governance

Every board of directors should expressly assume responsibility for, or assign to a committee of directors the general responsibility for, developing the corporation's approach to governance issues. This committee would, amongst other things, be responsible for the corporation's response to these governance guidelines.

The Corporate Governance Committee, by its terms of reference, is responsible for reviewing CSI's overall governance principles, recommending any changes to them, and recommending to the Board for approval the Corporation's disclosures in response to the TSX governance guidelines. The Committee monitors best practices among major Canadian companies to ensure CSI continues to carry out high standards of corporate governance.

Guideline 11 – Position Descriptions

The board of directors, together with the CEO, should develop position descriptions for the board and for the CEO, involving the definition of the limits to management's responsibilities. In addition, the board should approve or develop the corporate objectives the CEO is responsible for meeting.

Under its Mandate, the Board, in consultation with the CEO, is responsible to develop a position description for the CEO. The Board is also responsible to review and approve the corporate objectives that the CEO is responsible for meeting, and to assess the CEO's performance against these objectives.

The Board is also responsible to establish the limits of management's authority and responsibility in conducting the Corporation's business. In this regard, the Board has identified that management is responsible, among other responsibilities, to:

- propose and, in response to Board approval, execute CSI's corporate strategies, long-term plans, goals and targets;
- carry out a comprehensive budgeting process and monitor the Corporation's financial performance against the budget;

- be accountable for CSI's financial and competitive performance;
- provide timely, complete and accurate information about CSI's business operations;
- identify opportunities and risks affecting the Corporation's business, and to respond appropriately to them;
- ensure the development of senior executives and plan for their succession; and
- manage CSI's resources in a manner consistent with enhancing the Corporation's value while maintaining appropriate ethical, legal, environmental, corporate and social standards.

Guideline 12 – Board Independence

Every board of directors should have in place appropriate structures and procedures to ensure that the board can function independently of management.

The primary structure that ensures that CSI's Board functions independently of management is that seven of CSI's eight directors, including the Chairman, are outside directors, in that they are not members of CSI's management.

Other factors in place to help ensure the CSI Board's autonomy from Management:

- the Board, its Audit Committee, Compensation Committee, and Corporate Governance Committee are all composed entirely of outside unrelated directors;
- any director can call a meeting of the Board or of a committee of which he is a member; and
- all directors and committees have the right to recommend the engagement of professional or other advisors.

Guideline 13 – Audit Committee

The audit committee of every board of directors should be composed only of outside (non-management) directors. The roles and responsibilities of the audit committee should be specifically defined so as to provide appropriate guidance to audit committee members as to their duties. The audit committee should have direct communication lines with the internal and external auditors to discuss and review specific issues as appropriate. The audit committee's duties should include oversight responsibility for management reporting on internal control.

CSI's Audit Committee is composed of three external unrelated directors. All three are financially literate, meaning they are able to read and understand financial statements of a complexity level comparable to that of the financial statements of CSI Wireless. Mr. Hamilton is a Chartered Accountant and Certified Financial Analyst; Mr. Lang holds a Masters Degree in Business Administration and Mr. Camwell is a professional engineer and has held senior management positions with a number of companies.

The Audit Committee is responsible by its terms of reference to review CSI's annual and quarterly financial statements, accounting practices, business and financial controls, and the results of all external audits. It is also responsible to recommend to the Board the external auditors to be appointed by shareholders at each annual meeting, review their audit work plan, approve their fees and approve all

non-audit services to be provided by their firm. The Audit Committee has direct communication lines with the external auditors. The external auditors attend and participate in all quarterly Audit Committee meetings, at which time they present a review of the financial statements and meet with the Audit Committee separately from management.

Guideline 14 – Outside Advisors

The board of directors should implement a system that enables an individual director to engage an outside advisor at the expense of the corporation in appropriate circumstances. The engagement of the outside advisor should be subject to the approval of an appropriate committee of the board.

Directors, and each committee, may hire outside advisors at the Corporation's expense, subject to the review of the Corporate Governance Committee. No advisors were hired in 2004.

INTERESTS OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON AT THE MEETING

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting, other than the election of directors or except as disclosed elsewhere in this Information Circular or as described below.

INTERESTS OF INSIDERS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors or executive officers of the Corporation, any shareholder who beneficially owns, directly or indirectly, or exercise control or direction over more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in National Instrument 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

OTHER MATTERS

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Special and Annual Meeting of Shareholders. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

The Corporation will provide, without charge to a security holder, a copy of CSI's latest annual information form and any documents incorporated therein by reference, the 2004 annual report to shareholders containing comparative financial statements for 2004 together with the auditors' report thereon and management's discussion and analysis, interim financial statements for subsequent periods, and this information circular upon request to the Chief Financial Officer and Vice President Finance, 4110 – 9th Street S.E., Calgary, Alberta, T2G 3C4. If you wish, this information may also be accessed on CSI's website (www.csi-wireless.com) or on SEDAR at www.sedar.com.