
CSI WIRELESS INC.

NOTICE OF ANNUAL GENERAL MEETING

and

INFORMATION CIRCULAR – PROXY STATEMENT

WITH RESPECT TO THE

**ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

TO BE HELD MAY 24, 2006

CSI WIRELESS INC.
NOTICE OF
ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that an Annual General Meeting (the "**Meeting**") of the shareholders of CSI Wireless Inc. (the "**Corporation**" or "**CSI**") will be held at the Wildrose North, The Sheraton Suites Eau Claire, 255 Barclay Parade, SW, Calgary, Alberta on Wednesday, May 24, 2006 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, 2005;
2. To fix the number of Directors to be elected at the Meeting at seven;
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; and
5. 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 14, 2006 (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 14th day of April, 2006.

BY ORDER OF THE BOARD OF DIRECTORS

(signed)"Stephen A. Verhoeff"

Chief Executive Officer

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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 14, 2006 in respect of the Meeting;

"**Meeting**" means the annual general meeting of the shareholders of CSI to be held on May 24, 2006;

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

"**Record Date**" means the record date for the Meeting, being April 14, 2006; and

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

CSI WIRELESS INC.**INFORMATION CIRCULAR - PROXY STATEMENT
dated April 14, 2006****Annual General Meeting of Shareholders
to be held on May 24, 2006****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 Annual General Meeting of Shareholders of the Corporation (the "Meeting") to be held at the Wildrose North, The Sheraton Suites Eau Claire, 255 Barclay Parade SW, Calgary, Alberta on Wednesday, May 24, 2006 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 Annual General Meeting of Shareholders.

Unless otherwise stated, the information contained in this Information Circular is given as at April 14, 2006.

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 14, 2006 (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 14, 2006 there were 45,929,411 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, c/o 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 SE, 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 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 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 seven (7) 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 seven (7) members, the number of directors to be elected at the Meeting and to elect seven (7) 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 seven (7) members and in favour of the election as directors of the seven (7) nominees hereinafter set forth:

Paul L. Camwell	Paul G. Cataford
Richard W. Heiniger	Michael J. Lang
John M. Tye III	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
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 ⁽⁷⁾
Paul L. Camwell ⁽⁴⁾ Calgary, Alberta Director	Chief Technology Officer of Extreme Engineering Ltd. (a private engineering firm)	1998	24,562 ⁽⁶⁾
Paul G. Cataford ⁽²⁾ Calgary, Alberta Director	President & CEO of University Technologies International Inc. (owned by the University of Calgary, is a technology commercialization company) ⁽⁹⁾	2004	3,000 ⁽⁸⁾
Richard W. Heiniger Parkville, Missouri President, Hemisphere GPS, LLC and a Director	President of Hemisphere GPS LLC (formerly Satloc LLC) since April 2005. Was previously and continues to be CEO of RHS Inc. (a private company in marketing and distribution business)	2005	4,400,000 ⁽¹⁰⁾
John M. Tye III Plainview, Texas Director	Chairman, Bigham Brothers Inc. (a manufacturer of farm equipment)	Nominee	Nil

Notes:

- (1) An additional 22,300 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 300,000 common shares at prices ranging from \$1.67 to \$2.65 per common share.
- (2) Member of the Corporation's Audit Committee
- (3) Member of the Corporation's Compensation Committee
- (4) Member of the Corporation's Corporate Governance Committee
- (5) The amount excludes options to purchase an aggregate of 163,000 Common Shares at prices ranging from \$1.67 to \$2.65 per common share.
- (6) Excludes options to purchase an aggregate of 25,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (7) Excludes options to purchase an aggregate of 25,000 Common Shares at prices ranging from \$1.67 to \$2.70 per Common Share.
- (8) Excludes options to purchase an aggregate of 50,000 Common Shares at the price of \$2.70 per Common Share.
- (9) 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.
- (10) These shares are registered to RHS Inc., a company fully controlled by Mr. Heiniger. The 4,400,000 common shares issued are held in escrow with 1,000,000 to be released on each the first and second anniversary of the closing date and 1,950,000 to be released on the third anniversary of the closing date. The remaining 450,000 shares are subject to holdback against certain claims that may arise for which the Company has been indemnified. An additional 2,100,000 Performance Warrants may be issued to RHS if the Outback Business achieves certain growth and profitability targets in fiscal 2005, 2006 and 2007. Each Performance Warrant will entitle the holder to acquire, for

no additional consideration, one common share of the Company. If the Performance Warrants become issuable, they will be accounted for as additional goodwill on the acquisition.

- (11) The Corporation has an Executive Committee consisting of Stephen Verhoeff, Cameron Olson, Colin Maclellan Theresa Lea, Richard Heiniger and Dean Ryerson.

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 14, 2006. Each of the above nominees is a director of the Corporation elected at the last annual general meeting of shareholders.

No director, officer or other member of management of the Corporation is, or within the ten years prior to the date of this Information Circular has been, a director, officer or promoter or any other issuer that while that person was acting in that capacity:

(a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was declared bankrupt or made a voluntary assignment in bankruptcy, 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 person.

(c) was a director or officer of a corporation that within a year of the person ceasing to act as a director or officer of the corporation became bankrupt or made a proposal in bankruptcy.

In addition, no proposed director has, within the ten years before the date of this document, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold its assets except as follows:

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, 2005, an electronic copy of which is available on the internet on CSI's SEDAR profile at www.sedar.com.

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 14, 2006, there were 45,929,411 Common Shares issued and outstanding and no First or Second Preferred 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.

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.	5,619,800 ⁽¹⁾	12.59%

Note:

(1) As reported on March 31, 2006.

EXECUTIVE COMPENSATION

Compensation of Executive Officers

The information provided below relates to remuneration paid during the financial years ended December 31, 2005, December 31, 2004 and December 31, 2003 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	2005	227,513	Nil	Nil	Nil	Nil	Nil	9,000 ⁽²⁾
	2004	219,300	77,282 ⁽¹⁾	Nil	100,000	Nil	Nil	9,000 ⁽²⁾
	2003	193,500	30,000	Nil	200,000	Nil	Nil	9,000 ⁽²⁾
Cameron B. Olson Chief Financial Officer and Vice- President Finance ⁽³⁾	2005	167,888	Nil	Nil	Nil	Nil	Nil	9,000 ⁽⁵⁾
	2004	157,500	57,360 ⁽⁴⁾	Nil	110,000	Nil	Nil	9,000 ⁽⁵⁾
	2003	136,636	15,000	Nil	90,000	Nil	Nil	34,241 ⁽⁵⁾
Colin Maclellan Chief Operating Officer	2005	219,780	Nil	Nil	Nil	Nil	Nil	9,000 ⁽⁷⁾
	2004	211,736	58,144 ⁽⁶⁾	Nil	60,000	Nil	Nil	9,000 ⁽⁷⁾
	2003	186,724	22,000	Nil	50,000	Nil	Nil	64,939 ⁽⁷⁾
Michael Whitehead Chief Scientist, Hemisphere GPS	2005	178,591 US	Nil	Nil	50,000	Nil	Nil	Nil
	2004	141,075 US	30,053 US ⁽⁸⁾	Nil	20,000	Nil	Nil	Nil
	2003	135,000 US	Nil	Nil	20,000	Nil	Nil	Nil
Michael Cummiskey Vice-President Fixed Wireless Business Development	2005	152,861 US	Nil	Nil	Nil	Nil	Nil	109,744 US ⁽⁹⁾
	2004	150,000 US	Nil	Nil	10,000	Nil	Nil	208,372 US ⁽⁹⁾
	2003	25,000 US	Nil	Nil	30,000	Nil	Nil	78,000 US ⁽¹⁰⁾

Notes:

- (1) Represents bonus earned in 2004, of which \$58,500 was paid in 2004 and \$18,782 was paid in 2005.
- (2) Mr. Verhoeff receives a car allowance of \$750 per month.
- (3) 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.
- (4) Represents bonus earned in 2004, of which \$43,500 was paid in 2004 and \$13,860 was paid in 2005.
- (5) Mr. Olson received a car allowance of \$9,000 (\$9,000 in 2004 and 2003) and shares under the Incentive Share Administration Plan of \$25,241 in 2003.
- (6) Represents bonus earned in 2004, of which \$20,000 was paid in 2004 and \$38,144 was paid in 2005.
- (7) Mr. Maclellan received a car allowance of \$9,000 (\$9,000 in 2004 and 2003) and shares under the Incentive Share Administration Plan of \$55,939 in 2003.
- (8) Represents bonus earned in 2004, of which \$1,800 US was paid in 2004 and \$28,253 US was paid in 2005.
- (9) Represents commission paid in 2005 and 2004.
- (10) Fees paid to Mr. Cummiskey as a contractor prior to becoming an employee.
- (11) During 2005, there were thirteen executive officers of the Corporation. In respect of the financial year ended December 31, 2005, the thirteen executive officers received, in the aggregate, cash remuneration of \$1,464,559 CDN and \$1,010,760 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 Common Shares. 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, 2005.

Name	Options Granted in 2005	% 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 Verhoeff	Nil	N/A	N/A	N/A	N/A
Cameron Olson	Nil	N/A	N/A	N/A	N/A
Colin Maclellan	Nil	N/A	N/A	N/A	N/A
Michael Whitehead	50,000	7.46%	\$1.70	\$1.70	October 3, 2010
Michael Cummiskey	Nil	N/A	N/A	N/A	N/A

Notes:

- (1) During the financial year ended December 31, 2005 a total of 670,500 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, 2005.

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 Verhoeff	140,000	\$189,000	275,000/25,000	0/0
Cameron Olson	Nil	Nil	167,611/56,389	1,400/0
Colin Maclellan	Nil	Nil	243,889/41,111	0/0
Michael Whitehead	Nil	Nil	38,334/61,666	0/0
Michael Cummiskey	Nil	Nil	49,722/30,278	0/0

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 \$1.50 per Common Share on December 31, 2005, 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, 2005.

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⁾	3,176,165 Common Shares	\$3.13	735,891 Common Shares
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	3,176,165 Common Shares	\$3.13	735,891 Common Shares

Note:

(1) Relates to the Corporation's 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 granted pursuant to the Plan. Since the adoption of the original Share Option Plan in April, 1996, approximately 1,760,906 options have been exercised under the Plan, leaving options to purchase approximately 3,839,094 Common Shares or approximately 8.4% of the currently issued and outstanding number of Common Shares available for issuance under the Plan. As at April 14, 2006, there were options to purchase 3,009,711 Common Shares (or approximately 6.6% 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.

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 both are "independent" 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. No remuneration from the incentive compensation plan was earned by the executive officers during the financial year ended December 31, 2005. Bonuses in the aggregate of \$113,406 CDN and \$28,253 US were paid in 2005, but earned in 2004.

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 2005, the Corporation's Chief Executive Officer was compensated with a base salary of \$227,513. The salary level was reviewed during 2005 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

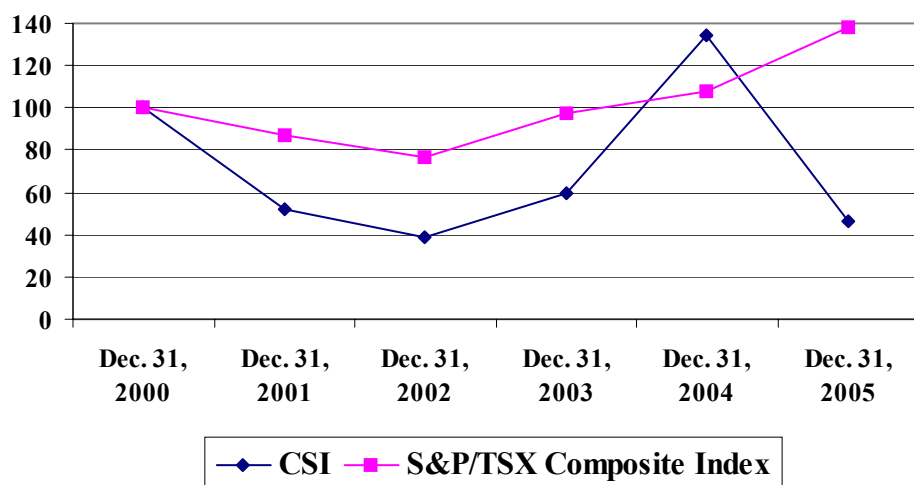
The Corporation's compensation policies have allowed the Corporation to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing shareholder value. Through the plans described above, a significant portion of the Corporation's executive compensation 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, 2000) on the Common Shares of the Corporation during the period ended December 31, 2005, with the cumulative total return of the TSX 300 Composite Index for the same period.



	Dec. 31, 2000	Dec. 31, 2001	Dec. 31, 2002	Dec. 31, 2003	Dec. 31, 2004	Dec. 31, 2005
CSI	100	52.15	38.34	59.51	134.36	46.01
S&P/TSX Composite Index	100	87.43	76.55	97.01	108.05	137.85

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 \$121,950 was paid to Directors for serving in such capacity during the financial year ended December 31, 2005: Messrs. Cataford, Hamilton and Yenke each received \$14,000 for serving as Directors; Mr. Najafi received \$8,250; Mr. Brower received \$11,000; while Mr. Camwell received \$9,333 for serving as directors; and Mr. Lang received \$9,033 in directors' fees, \$33,333 for his role as Chairman of the Board and an additional \$6,000 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, 2005, Mr. Najafi received consulting fees totalling \$45,000 US. Mr. Brower received consulting fees totalling \$23,000 US.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

The aggregate indebtedness to the Corporation of all senior officers and directors of the Corporation was \$22,244 US as at April 14, 2006. 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, 2005 to December 31, 2005 (\$)	Amount Outstanding at April 5, 2006 (\$)	Financially Assisted Securities Purchases from January 1, 2005 to December 31, 2005 (#)	Security for Indebtedness
Scott Terry Chief Engineer, Wireless	Lender	\$33,367 ⁽¹⁾	\$22,244	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.

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 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 2005 annual report to shareholders containing comparative financial statements for 2005 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.

CORPORATE GOVERNANCE

Corporate governance disclosures and policies required by National Instrument 58-101 are attached to this Information Circular as "Schedule A."

SCHEDULE A

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance disclosures are required by National Instrument 58-101 – Disclosure of Corporate Governance Practices to be included in this Management Proxy Circular.

- **Board of Directors**

- a. **Disclose the identity of directors who are independent.**

Paul L. Camwell, Paul G. Cataford, Michael J. Lang, Howard W. Yenke are independent within the meaning of National Instrument 58-101. These directors are not a part of CSI Wireless' 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 directors' independent judgement.

- b. **Disclose the identity of directors who are not independent, and describe the basis for that determination.**

Stephen Verhoeff is not independent as he is the President and Chief Executive Officer of the Corporation.

Richard Heiniger is not independent as he is President of Hemisphere GPS LLC, a wholly-owned subsidiary of CSI.

Brian J. Hamilton (not seeking re-election) is not independent as he has been, within the last three years, an executive officer of the issuer.

- 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 judgement in carrying out its responsibilities.**

There are seven directors in total, four of whom are independent.

- 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.**

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>
Stephen Verhoeff	N/A
Brian Hamilton (not seeking re-election)	N/A
Michael Lang	A member of the board, and chairs the audit committee of Dynetek Industries Ltd.
Howard Yenke	N/A
Paul Camwell	N/A

Paul Cataford

A member of the boards of SemBioSys Genetics Inc. and Sierra Wireless Inc.

Richard Heiniger

N/A

- 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.**

The Compensation Committee and the Audit Committee are all composed entirely of independent directors. These committees hold regular meetings without the attendance of non-independent directors.

Commencing in 2006, the CSI Wireless board ("the Board") began adding a standing or regular item to its agendas so that at all Board meetings, there is time available for the independent directors to meet alone, apart from the non-independent directors.

- 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.**

The Chair of the Board, Michael Lang, is an independent director within the meaning of NI 58-101.

- g. **Disclose the attendance record of each directors for all board meetings held since the beginning of the issuer's most recently completed financial year.**

Michael Lang – 100%, Paul Camwell – 66.6%, Paul Cataford – 83.3%, Brian Hamilton – 83.3%, Howard Yenke – 83.3%, Michael Brower – 100%, Hamid Najafi – 80% before resigning from the board on October 2005, Stephen Verhoeff – 100%, Rick Heiniger – 100% since joining the Board in April 2005.

- **Board Mandate – 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.**

The Mandate of the Board is attached to this Information Circular as Schedule B.

- **Position Descriptions**

- h. **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.**

The Board has developed a position description for the Board chairman. The Board has also developed specific Terms of Reference for each of its standing committees. The terms describe the committees and by inference their chairs' roles. The Terms of Reference for the Audit

Committee (“Schedule C”), Compensation Committee (“Schedule D”) and Corporate Governance Committee (“Schedule E”) are attached.

- i. **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.**

The Board and the CEO have developed a written position description for the CEO.

- **Orientation and Continuing Education**

- j. **Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.**

The Corporate Governance Committee, by its terms of reference (“Schedule E”), is responsible to develop an orientation and education program for new recruits to the Board. The committee assesses new directors’ knowledge of the Corporation’s business (products, industries, technologies, competition, etc.), identifies areas where more information is necessary, and provides that information through reference materials, meetings with staff, and through other means. In Addition, the Committee provides new directors with copies of the Board’s mandate, the standing committees’ Terms of Reference, and other documentation.

- k. **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.**

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

Board members pursue continuing education opportunities as considered appropriate by the particular Board member. For example, a Board member has taken and graduated from the Institute of Corporate Directors’ “Directors Education Program.” In order to ensure that the Board remains knowledgeable about relevant technologies and industries, Board members receive regular technical and operations presentations as part of Board meetings and tour CSI facilities.

- **Ethical Business Conduct**

- l. **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:**

The Board has adopted a written Code of Conduct (“Code”) for all directors, officers and employees.

- (i) **disclose how a person or company may obtain a copy of the code;**

The Code is posted on CSI’s internal and external Internet websites, and has been filed on the System for Electronic Document Analysis and Retrieval (SEDAR).

- (ii) **describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and**

All CSI directors, officers and employees must sign a form saying they will comply with the Code of Conduct. The Code includes specific procedures for anyone wanting to report a perceived violation of the Code. These procedures include access to an anonymous “whistle-blower hotline” (overseen by a third-party organization) that relays Code concerns directly to the Audit Committee. The Audit Committee, starting in 2006, will have a standing or regular item on its meeting agendas to ensure that any submissions to the “whistle-blower hotline” are addressed promptly and thoroughly.

- (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.**

There were no material change reports filed pertaining to any departures from the Code.

- m. **Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.**

Board members and executive officers are required to declare the nature and extent of any material interest in any transactions or agreements and may not vote in relation to any such matter. In certain cases an independent committee may be formed to deliberate on such matters in the absence of the interested party.

- n. **Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.**

Due to the fact CSI has a Code of Conduct, an effective procedure for monitor and enforcing the Code, a Board Mandate, Board chairman position description, and committee Terms of Reference, we see no need at this time for additional steps.

- **Nomination of Directors**

- o. **Describe the process by which the board identifies new candidates for board nomination.**

The Board's Corporate Governance Committee 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. Other Board members and management may also provide recommendations for nominees. 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.

- p. **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.**

The Corporate Governance Committee, which is responsible for nominating directors, is comprised of one independent director and one director who is not independent.

- q. **If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.**

The Board's Corporate Governance Committee, when the need for Board nominations arises, compiles and reviews a list of potential Board members and makes recommendations to the Board.

- **Compensation**

- r. **Describe the process by which the board determines the compensation for the issuer's directors and officers.**

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

- s. **Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.**

The Compensation Committee is comprised entirely of independent directors.

- t. **If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.**

The Compensation 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.

See the Compensation Committee's Terms of Reference in the attached "Schedule D".

- u. **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.**

There have been no compensation consultants or advisors retained in the most recently completed financial year.

- **Other Board Committees**

- v. **If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.**

See the Corporate Governance Committee's Terms of Reference in the attached "Schedule E"

- **Assessments**

- w. **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.**

The Corporate Governance Committee is responsible by its Terms of Reference for periodically assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors. The Committee conducts an annual review by circulating questionnaires to each director. In the questionnaires, the directors assess their own performance and that of their colleagues. The resulting information is returned to the chairman for review.

SCHEDULE B

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the "Board") of the Corporation is responsible for the stewardship of the Corporation. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation. In general terms, the Board will:

- 1) in consultation with the chief executive officer of the Corporation (the "CEO"), define the principal objective(s) of the Corporation;
- 2) supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation's principal objective(s) as defined by the Board;
- 3) discharge the duties imposed on the Board by applicable laws; and
- 4) for the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board, through discussion with the CEO and other management, will perform the following duties:

Strategic Direction, Operating, Capital and Financial Plans

1. Require the CEO to present annually to the Board a strategic business plan for the Corporation's business, which must:
 - a. be designed to achieve the Corporation's principal objectives,
 - b. identify the principal strategic and operational opportunities and risks of the Corporation's business, and
 - c. be approved by the Board as a pre-condition to the implementation of such plan.
2. Review progress towards the achievement of the goals established in the strategic, operating and capital plans.
3. Review the principal risks of the Corporation's business and the steps the Corporation is undertaking to manage these risks.
4. Approve the annual operating and capital plans.
5. Approve issuances of additional common shares or other securities to the public.
6. Monitor the Corporation's progress towards its goals, and revise and alter its direction through management in light of changing circumstances.

Management and Organization

7. Appoint the CEO and determine the terms of the CEO's employment with the Corporation.

8. In consultation with the CEO, develop a position description for the CEO.
9. Evaluate the performance of the CEO periodically.
10. In consultation with the CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business.
11. In consultation with the CEO, appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation.
12. Receive periodically from the CEO the CEO's evaluation of the performance of each senior officer who reports to the CEO.
13. Develop a system under which succession to senior management positions will occur in a timely manner.
14. Approve any proposed significant change in the management organization structure of the Corporation.
15. Approve all retirement plans, if any, for officers and employees of the Corporation.
16. In consultation with the CEO, establish a communications policy for the Corporation.
17. Generally provide advice and guidance to management.

Finances and Controls

18. Discuss with management the Corporation's systems to manage the risks of the Corporation's business and whether such systems are appropriate in the circumstances.
19. Consider the appropriateness of the Corporation's capital structure.
20. Review with management the procedures and controls in place to ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis and whether such systems are appropriate in the circumstances.
21. In consultation with the CEO, establish the ethical standards to be observed by all officers and employees of the Corporation and a process to monitor compliance with those standards.
22. Review with management the processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees and whether such systems are appropriate in the circumstances.
23. Review with management the steps taken by the Corporation to maintain the integrity of internal control and information systems, including maintenance of all required records and documentation.
24. Review and approve material contracts to be entered into by the Corporation.

25. Recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporation's auditors.
26. Take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance.

Governance

27. In consultation with the Chairman of the Board, develop a position description for the Chairman of the Board.
28. Facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
 - a. selecting nominees for election to the Board,
 - b. appointing a Chairman of the Board who is not a member of management;
 - c. appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate,
 - d. defining the terms of reference of each committee of the Board,
 - e. implementing processes to assess the effectiveness of the Chairman of the Board, the Board as a whole, each committee of the Board and each director, and
 - f. establishing a system to enable any director to engage an outside adviser at the expense of the Corporation.
29. Review periodically the adequacy and form of the compensation of directors.

Delegation

30. The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

Meetings

31. The Board shall meet at least two times per year and/or as deemed appropriate by the Board Chair.
32. Minutes of each meeting shall be prepared.
33. The Chief Executive Officer or his designate(s) may be present at all meetings of the Board.
34. Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.
35. The agenda for each meeting will include a segment of time in which the members of the Board who are not members of the Corporation's management, will meet separately from directors

who are members of management, to discuss any matters that may be raised by any such director.

36. Any member of the Board who has a material interest in matters to be reviewed and approved by the Board, such as transactions and agreements, will so declare his or her interest and abstain from voting on such matters.

Report/Authority

37. Following each meeting, the secretary of such meeting will promptly report to the Board by way of providing draft copies of the minutes of the meetings.

SCHEDULE C

AUDIT COMMITTEE TERMS OF REFERENCE

Establishment of Audit Committee

The Board of Directors (the "Board") hereby establishes a committee to be called the Audit Committee (the "Committee").

Membership

The Committee shall be composed of three members or such greater number as the Board may from time to time determine, all of whom shall be independent of the Corporation. Members shall be appointed periodically from among the outside members of the Board. All members of the Committee shall be financially literate, being defined as able to read and understand financial statements of a complexity level comparable to that of the Corporation's financial statements, and at least one member of the Committee shall have accounting or related financial management expertise.

Mandate

The Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities.

Audit Committee Purpose

Through discussion with management and the external auditors of the Corporation, the Committee will be responsible to:

1. Monitor the management of the principal risks that could impact the financial reporting of the Company.
2. Monitor the integrity of the Company's financial reporting process and system of internal controls regarding financial reporting and accounting compliance.
3. Oversee and monitor the independence and performance of the Company's external auditors.
4. Provide an avenue of communication among the external auditors, management and the Board of Directors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
5. Encourage adherence to, and continuous improvement of, the Company's policies, procedures, and practices at all levels.
6. Monitor compliance with legal and regulatory requirements.
7. Ensure that effective procedures are in place for the anonymous submission and review of complaints and concerns regarding accounting, internal control and auditing matters.

Audit Committee Duties and Responsibilities

Primarily through review and discussion with management and the external auditors, the Committee is responsible to:

Review Procedures

1. Review periodically the Committee's Terms of Reference.
2. Review the Company's annual audited financial statements and related documents, including the press release and MD&A, prior to filing or distribution. Review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates and judgments.
3. Periodically, in consultation with management and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures.
4. Periodically review and assess the adequacy of the procedures that are in place for the review of the Company's public disclosure of financial information extracted from or derived from the Company's financial statements.
5. Review significant findings prepared by the external auditors together with management's responses.
6. Review the principal risks affecting financial reporting.
7. Review with financial management and the external auditors, and approve, the company's quarterly financial results and related documents, including the quarterly press release and MD&A, prior to the public release of earnings. By approval of these Terms of Reference for the Audit Committee, the Board delegates the authority to approve these documents on behalf of the Board.
8. Discuss any significant changes to the Company's accounting principles prior to their adoption. The Chair of the Committee may represent the entire Audit Committee for purposes of this review.

External Auditors

9. The external auditors are ultimately accountable to the Committee and the Board of Directors, as representatives of the shareholders. The Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the external auditors or approve any discharge of auditors when circumstances warrant.
10. Approve the fees and other significant compensation to be paid to the external auditors.
11. On an annual basis, the Committee should review and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence.

12. Review the external auditors' audit plan - discuss and approve audit scope, staffing, locations, reliance upon management, and general audit approach.
13. Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.
14. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in the Company's financial reporting.
15. Approve all non-audit services to be provided to the Corporation by the external auditors' firm, prior to such services being performed, except that by approval of these terms of reference, the Audit Committee hereby approves the following non-audit services to be provided by the external auditors:
 - a. tax services connected with the preparation of the Corporation's tax returns, or the tax returns of any of its subsidiaries; and
 - b. due diligence and tax services connected with any mergers, acquisitions or dispositions being considered by the Corporation.
16. Review and approve the Company's hiring policies regarding partners, employees, and former partners and employees, of the present or former auditors.

Legal Compliance

17. On at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.

Other Audit Committee Responsibilities

18. Periodically assess the effectiveness of the committee against its terms of reference and report the results of the assessment to the Board.

Administrative Matters

The following general provisions shall have application to the Committee:

1. The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditors as well as anyone in the organization. The Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.
2. Two members of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference.

3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its outside members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.
4. The Committee shall meet at least four times per year and/or as deemed appropriate by the Chair.
5. If deemed necessary by the Chair, agendas shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
6. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair.
7. The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee.
8. The time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board.
9. Unless otherwise designated by the Board, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman.
10. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.

SCHEDULE D

COMPENSATION COMMITTEE TERMS OF REFERENCE

Establishment of Compensation Committee

The Board of Directors (the "Board") hereby establish a committee to be called the Compensation Committee (the "Committee").

Membership

The Committee shall be composed of two members or such greater number as the Board may from time to time determine, of whom the majority shall be independent of the Corporation. Members shall be appointed periodically from among the members of the Board.

Mandate

The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for overseeing the approach of the Corporation to matters concerning director, executive and employee compensation and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:

1. Reviewing on a periodic basis the compensation of the Board, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in director compensation based upon such review.
2. Reviewing on a periodic basis the compensation of the Senior Executives of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and recommending to the Board changes in executive compensation based upon such review.
3. Reviewing, on a periodic basis the compensation program of the Corporation, considering whether such compensation is appropriate in the circumstances giving consideration to the market for companies of similar size and nature, and to the circumstances of the Corporation, and approving changes to the compensation program. For this purpose, the compensation program of the Corporation will include salaries, benefit programs, stock-based compensation programs, incentive compensation programs, and all other items impacting the compensation of all employees of the Corporation.
4. Make recommendations to the Board of Directors regarding appointments of corporate officers and senior management.
5. Monitoring the human resources practices of the Corporation, including the development and implementation of policies, performance management and other processes impacting employee recruitment and retention.
6. Review periodically the Committee's Terms of Reference.

Administrative Matters

The following general provisions shall have application to the Committee:

1. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
2. Two members of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.
4. The Committee shall meet at least two times per year and/or as deemed appropriate by the Chair.
5. If deemed necessary by the Chairman, agendas shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
6. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair.
7. The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee.
8. The time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board.
9. Unless otherwise designated by the Board, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman. Notwithstanding the foregoing, in all circumstances the Chairman must be an independent director.
10. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.

SCHEDULE E

CORPORATE GOVERNANCE COMMITTEE TERMS OF REFERENCE

Establishment of Corporate Governance Committee

The Board of Directors (the "Board") hereby establish a committee to be called the Corporate Governance Committee (the "Committee").

Membership

The Committee shall be composed of two members or such greater number as the Board may from time to time determine, of whom the majority shall be independent directors. Members shall be appointed periodically from among the members of the Board.

Mandate

The Committee shall, in addition to any other duties and responsibilities specifically delegated to it by the Board, generally assume responsibility for developing the approach of the Corporation to matters concerning corporate governance and, from time to time, shall review and make recommendations to the Board as to such matters. Specifically, the Committee will have the authority and responsibility for:

1. Periodically review the mandates of the Board and the terms of reference of its committees and recommend to the Board such amendments to those mandates as the Committee believes are necessary or desirable.
2. Preparing and recommending to the Board periodically a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority.
3. To make recommendations to the Board as to which directors should be classified as "independent" directors pursuant to any such report or circular.
4. Reviewing on a periodic basis the composition of the Board and considering whether an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs.
5. Assessing, periodically, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board.
6. Maintaining a list of potential candidates for Board membership and where appropriate, interviewing potential candidates for board membership.
7. To develop for approval by the Board, when necessary, an orientation and education program for new recruits to the Board.
8. To act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or

individual members of management or the performance of the Board or individual members of the Board.

9. To develop and recommend to the Board for approval and periodically review structures and procedures designed such that the Board can function independently of management.
10. Review periodically the Committee's Terms of Reference.
11. To review and consider the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director.

Administrative Matters

The following general provisions shall have application to the Committee:

1. The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
2. Two members of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by a resolution in writing signed by all the members of the Committee. Meetings may occur via telephone or teleconference.
3. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.
4. Members should have or obtain sufficient knowledge of the Corporation's corporate governance requirements to assist in providing advice and counsel on ongoing compliance and improvements to the Corporation's corporate governance activities.
5. The Committee shall meet at least two times per year and/or as deemed appropriate by the Chair.
6. If deemed necessary by the Chairman, agendas, shall be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
7. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chief Executive Officer by the Board Chair.
8. The Committee may invite such officers, directors and employees of the Corporation as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee.
9. The time at which and place where the meetings of the Committee shall be held and the calling of meetings and the procedure in all respects at such meetings shall be determined by the Committee, unless otherwise determined by the by-laws of the Corporation or by resolution of the Board.

10. Unless otherwise designated by the Board, the members of the Committee shall elect a Chairman from among the members and the Chairman shall preside at all meetings of the Committee. The Chairman of the Committee shall have a second and deciding vote in the event of a tie. In the absence of the Chairman, the members of the Committee shall appoint one of their members to act as Chairman. Notwithstanding the foregoing, in all circumstances the Chairman must be an independent director.
11. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board.