GENESIS LAND DEVELOPMENT CORP.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON SEPTEMBER 12, 2012

NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR

TO BE HELD AT

THE MULTI-PURPOSE ROOM
THE GENESIS CENTRE OF COMMUNITY WELLNESS
7556 FALCONRIDGE BLVD. N.E.
CALGARY, ALBERTA T3J 0C9

11:00 A.M. (MOUNTAIN DAYLIGHT TIME)

GENESIS LAND DEVELOPMENT CORP.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS OF GENESIS LAND DEVELOPMENT CORP.

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting (the "**Meeting**") of holders of common shares of Genesis Land Development Corp. (the "**Corporation**") will be held in the Multi-Purpose Room at the Genesis Centre of Community Wellness, 7556 Falconridge Blvd. N.E., Calgary, Alberta T3J 0C9 on Wednesday, September 12, 2012 at 11:00 a.m. (Mountain Daylight time), for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2011 and the report of the auditors thereon;

2. to fix the board of directors of the Corporation to be elected at the Meeting at seven (7) members and to elect the board of directors of the Corporation for the ensuing year;

3. to appoint MNP LLP, Chartered Accountants, of Calgary, Alberta, as auditors of the Corporation for the ensuing year and to authorize the board of directors of the Corporation to fix the auditors' remuneration; and

4. to transact any such other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting in person are requested to date and execute the enclosed form of instrument of proxy and return it in the envelope provided for that purpose.

DATED at the City of Calgary, in the Province of Alberta, this 9th day of August, 2012.

BY ORDER OF THE BOARD OF DIRECTORS

"Jeffrey Blair"

Jeffrey Blair
Interim Chief Executive Officer and Chief Operating Officer

IMPORTANT

It is desirable that as many common shares as possible be represented at the Meeting. If you do not expect to attend and would like your common shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays prior to the time of the Meeting or any adjournment thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his sole discretion and the Chairman is under no obligation to accept or reject any late instruments of proxy.

GENESIS LAND DEVELOPMENT CORP.

ANNUAL GENERAL MEETING OF SHAREHOLDERS

SEPTEMBER 12, 2012

MANAGEMENT INFORMATION CIRCULAR

PERSONS MAKING THE SOLICITATION

This management information circular ("**Circular**") is furnished in connection with the solicitation of proxies by the Board of Directors (the "**Board**") and management of Genesis Land Development Corp. ("**Genesis**" or the "**Corporation**"), to be used at the Annual General Meeting (the "**Meeting**") of holders of common shares ("**Common Shares**") of the Corporation, to be held on Wednesday, September 12, 2012, at the hour of 11:00 a.m. (Mountain Daylight time), in the Multi-Purpose Room at the Genesis Centre of Community Wellness, 7556 Falconridge Blvd. N.E., Calgary, Alberta T3J 0C9 and at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the "**Notice**").

The costs incurred in the preparation and mailing of both the instrument of proxy and this Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation. The record date to determine the registered shareholders entitled to receive Notice of and to vote at the Meeting is August 7, 2012 (the "Record Date").

APPOINTMENT, VOTING AND REVOCATION OF PROXIES

Appointment

The persons named (the "Management Designees") in the accompanying instrument of proxy have been selected by the Board of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. Any shareholder has the right to appoint a person (who need not be a shareholder) other than the Management Designees to attend and to vote and act for and on behalf of such person at the Meeting. In order to do so the shareholder may insert the name of such person in the blank space provided in the instrument of proxy, or may use another appropriate form of proxy. All instruments of proxy must be deposited with Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment thereof. The Chairman of the Meeting may refuse to recognize any instrument of proxy received after such time.

Voting

Common Shares represented by any properly executed proxy in the accompanying form will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder. **In the absence of such direction, the Common Shares will be voted in favour of the matters set forth herein.**

The accompanying instrument of proxy confers discretionary authority on the Management Designees with respect to amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event

that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgement of management of the Corporation.

Revocation

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing and deposited either at the registered office of the Corporation, 1900, 520 Third Avenue SW, Calgary, Alberta, T2P 0R3, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to herein as "**Beneficial Shareholders**") should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, *not* be registered in the shareholder's name. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., the registration name for The Depositary Trust Company, which acts as nominee for many United States brokerage firms. Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Each Beneficial Shareholder should therefore ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

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

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided**

to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.

All references to shareholders in this Circular and the accompanying form of proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Registered holders of Common Shares as shown on the shareholders' list prepared as of the Record Date will be entitled to vote such shares at the Meeting on the basis of one vote for each Common Share held, except to the extent that the person has transferred the ownership of any of their Common Shares after the Record Date, and the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that they own the Common Shares, and demands, not later than ten (10) days before the Meeting, or shorter period before the Meeting that the by-laws of the Corporation may provide, that their name be included in the list before the Meeting, in which case the transferee is entitled to vote their Common Shares at the Meeting.

As of the Record Date, 44,674,915 of the Corporation's unlimited authorized voting Common Shares were issued and outstanding. The Corporation is also authorized to issue an unlimited number of preferred shares, none of which are issued. In addition, there are 1,480,470 Common Shares issuable upon exercise of previously granted stock options.

The By-laws of the Corporation provide that a quorum of shareholders is present at a meeting of shareholders if at least two persons are present in person, each being a shareholder entitled to vote thereat or a duly appointed proxy, and who hold or represent by proxy in the aggregate not less than five percent (5%) of the outstanding Common Shares entitled to be voted at the meeting.

To the knowledge of the Corporation's directors and executive officers, and as of the date hereof, no person beneficially owns, or controls or directs, directly or indirectly, more than 10% of the voting rights attached to all outstanding Common Shares, other than as set forth below.

Name	Number of Common Shares	Percentage of Issued Common Shares
Gobi Singh Calgary, Alberta	7,094,741	15.9%
Garfield R. Mitchell Toronto, Ontario	5,795,135	13.0%

Notes:
(1) The information as to the Common Shares beneficially owned, not being within the knowledge of the Corporation is based on information filed on SEDI.

COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS

Compensation Discussion and Analysis

Overview and Objectives

The Corporate Governance, Nominating and Compensation Committee of the Board makes recommendations to the Board regarding compensation to be provided to the executive officers and directors of the Corporation and, in doing so, receives input from the Chief Executive Officer of the Corporation ("**CEO**") in respect of all executive officers other than the CEO. The Corporate Governance, Nominating and Compensation Committee, in arriving at its compensation decisions, considers the long-term interest of the Corporation and its stakeholders, and its historical and current stage of development. Compensation of all executive officers, including the CEO, is based on the underlying philosophy that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contribution of the individuals involved and the overall performance of the Corporation.

The Corporation's executive compensation program is available to the "named executive officers" of the Corporation which is defined by securities legislation to mean each of the following individuals, namely: (i) the CEO; (ii) the Chief Financial Officer of the Corporation; (iii) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 for that financial year; and (iv) each individual who would be a "**Named Executive Officer**" under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year (the "**Named Executive Officer**").

The objectives of the Corporation's executive compensation program are twofold, namely: (i) to enable the Corporation to attract and retain highly qualified and experienced individuals to serve as Named Executive Officers; and (ii) to align the compensation levels available to the Named Executive Officers to the successful implementation of the Corporation's strategic plans. The Corporation's executive compensation program is designed to reward the Named Executive Officers where they have contributed to the prosperity and growth of the Corporation.

Elements of the Compensation Process

The CEO and management recommends to the Corporate Governance, Nominating and Compensation Committee the individual annual base salaries and bonuses for each executive officer. Management compares the base salary and benefits for each employee against industry comparable positions and annually recommends adjustments to the Corporate Governance, Nominating and Compensation Committee. The Corporate Governance, Nominating and Compensation Committee takes these recommendations into consideration when making final decisions on compensation for those executive officers. Compensation recommendations regarding the CEO are made entirely by the Corporate Governance, Nominating and Compensation Committee.

The Corporate Governance, Nominating and Compensation Committee strives to find a balance among current versus long-term compensation and cash versus equity incentive compensation. Cash payments primarily reward recent performance and equity incentive rewards encourage executive officers to continue to deliver results over a longer period of time and serve as a retention tool.

The Corporate Governance, Nominating and Compensation Committee evaluates a broad range of both quantitative and qualitative factors including reliability in delivering financial and growth targets, a track record of integrity, good judgment, the vision and ability to create further growth and the ability to lead others. The evaluation of a Named Executive Officer's performance against his stated objectives will play an important role in awarding the discretionary annual cash bonus and also contribute to a determination of overall compensation. For annual long-term incentive awards, the Corporate Governance, Nominating and Compensation Committee primarily considers a Named Executive Officer's potential for future successful performance and leadership as part of the executive management team, taking into account past performances as a key indicator.

The compensation of the CEO, Named Executive Officers and management of competitors is considered, to the extent publicly available, in determining compensation.

Components of Compensation

The Corporation's executive compensation program consists of a combination of the following significant elements, namely: base salary, the payment of bonuses where appropriate under the Bonus Plan (as hereinafter defined) and participation in the Option Plan (as hereinafter defined). These elements contain both short-term incentives, comprised of cash payments, being those provided by way of base salaries and under the Bonus Plan, as well as long-term incentives, comprised of equity-based incentives, being those provided under the Option Plan. Extended health care, dental and insurance benefits are provided to all employees, including the Named Executive Officers. The process for determining perquisites and approval of benefits for the Named Executive Officers is, firstly, to implement perquisites and benefits which are comparable to those usually offered by other corporations of a similar size to the Corporation and secondly, to make those perquisites and benefits available to each Named Executive Officer, equally. The Corporation chooses to pay each element of its executive compensation program in order to maintain its competitive position in the marketplace. The amount for each element of the Corporation's executive compensation program is determined based upon compensation levels provided by the Corporation's competitors as well as upon the discretion of the Board, where applicable, as described below. Each element of the Corporation's executive compensation program is intended to contribute to an overall total compensation package which is designed to provide both short-term and long-term financial incentives to the Named Executive Officers and to thereby assist the Corporation to successfully implement its strategic plans. The Corporate Governance, Nominating and Compensation Committee annually assesses how each element fits into the overall total compensation package and makes recommendations to the Board relating thereto from time to time. On October 11, 2011, the Board appointed Jeff Blair the interim CEO and the Corporation entered into a written executive employment agreement with the interim CEO. See the section herein entitled "Termination and Change of Control Benefits."

Base Salaries

Base salaries for the Named Executive Officers are reviewed annually and are set to be competitive with industry levels and the Calgary market. In addition, in its annual review of base salaries, the Corporate Governance, Nominating and Compensation Committee has regard to the contributions made by the Named Executive Officers, how their compensation levels relate to compensation packages that would be available to such officers from other employment opportunities and commercially available salary survey data and information publicly disclosed by some of the Corporation's competitors and peers. This enables the Corporation to establish base salaries which are intended to attract and retain highly qualified and experienced individuals. Other than as set out immediately above, the base salaries of the Named Executive Officers are not determined based on benchmarks, performance goals or a specific formula.

Bonus Plan

The CEO and CFO are eligible participants in the bonus plan of the Corporation (the "**Bonus Plan**"). A formal bonus plan for the CEO was established for the first time in August 2011. The Bonus Plan is intended to reward extraordinary performance of duties and contributions to the achieving of the Corporation's goals and ensure that the CEO and CFO's total cash compensation is tied to the Corporation's performance. Key objectives of the Bonus Plan are to: (a) align individual performance with annual corporate objectives; (b) reward performance contributions relative to the attainment of annual corporate objectives; and (c) provide the opportunity for the CEO and CFO to share in the Corporation's success. The Bonus Plan component of the Corporation's compensation program allows the CEO and CFO to share the risks and rewards of the Corporation's financial and operational performance, and each individuals contributions to such success. The CEO and CFO are eligible to receive a bonus, equal to between a minimum of 0% and a maximum of 75% of the applicable Named Executive Officer's base salary. The allocation of the Bonus Plan to individuals is dependent on personal performance, at Board discretion. The amount to be paid out under the Bonus Plan, if any, is determined by the Board, taking into consideration the recommendations of the Corporate Governance, Nominating and Compensation Committee. In making its recommendations to the Board, the Corporate Governance, Nominating and Compensation Committee recognizes any extraordinary efforts that were made in enhancing the value of the Corporation's asset base and any extraordinary success that has been achieved in implementing the Corporation's business plans and prudent management.

For the purposes of calculating the bonus amounts for the fiscal year ended 2011, corporate performance was assessed on a combination of quantitative and qualitative objectives as outlined below:

<u>Quantitative Components of 2011 Bonus Formula</u>

1. Net asset value per share ("**NAV**") - target 7% growth year over year (25% weighting).

2. Earnings per share ("**EPS**") - target of $0.35 per share for 2011 (15% weighting).

3. Share price increase ("**SPI**") - target 15% growth year over year weighted average (12.5% weighting).

4. Cash flow from operating activities ("**CF**") - target $20,000,000 (12.5% weighting).

<u>Mix of Quantitative and Qualitative Components of 2011 Bonus Formula</u>

5. Balance Sheet (20% weighting).

The objective is prudent management of debt and maintenance of liquidity, including, a debt to equity ratio of 1:2 (0.5), debt/gross book value of 20-25% and the maintenance of cash balances of at least $5 million.

Qualitative Component of 2011 Bonus Formula

6. Stakeholder relations, Governance and Board relations and Employee relations (15% weighting).

The objective is to improve relations between the Corporation and various stakeholder groups including executive and departmental management communications, improvements in the retention, motivation, health and safety of employees, communications, Board relations and improved governance appropriate for a public company and relations with lenders, suppliers, customers, municipalities, and investment bankers and research analysts.

The Bonus Plan provides a bonus of 15% of salary for achieving the targets, which were set to be achieved in normal circumstances. Failure to achieve the targets results in a bonus of 0%. Partial achievement may result in a bonus up to 7.5%. Achievements in excess of the targets may result in a bonus in the range of 22.5% to 75%. The bonus metrics are determined for each of the six components of the bonus formula and in accordance with the prescribed weightings with the evaluation of performance at the discretion of the Board.

A summary of the 2011 CEO Bonus is set forth in the following table:

Bonus Component	**Weighting %**	**Maximum Bonus Available**	**Board Score[(1)]**	**CEO Bonus**
NAV	25.0	$46,875	0	0
EPS	15.0	$28,125	1.5	$8,600
SPI	12.5	$23,438	0.6	$2,000
CF	12.5	$23,437	1.5	$7,000
Balance Sheet	20.0	$37,500	3.0	$22,500
Stakeholder relations				
• Governance	5.0	$9,375	2.5	$4,700
• Employees	5.0	$9,375	4.5	$6,400
• Other	5.0	$9,375	4.0	$7,500
Total	100%	$187,500		$61,300

Notes:

(1) The Board evaluated each component on a scale of 0 to 5 with "0" representing unacceptable performance and "5" representing exceptional achievement well in excess of the prescribed targets.

Based on the overall corporate performance results for 2011, the Board approved the CEO bonus under the Bonus Plan pay of $61,300 representing 24.5% of the CEO base salary of $250,000.

Individual Performance

Individual performance contributing to the above corporate performance determined the amounts paid to the CEO and CFO under the Corporation's Bonus Plan component**.** Corporate Governance, Nominating and Compensation Committee did not set specific performance objectives in assessing the individual performance of the CEO and CFO, rather the Corporate Governance, Nominating and Compensation Committee uses its experience when evaluating the performance of the CEO and CFO as well as consultation with the CEO. Payments are adjusted for individual performance on a case-by-case basis with the final amount approved by and at the discretion of the Board**.**

Option Plan

The stock option plan (the "**Option Plan**") of the Corporation was approved by the shareholders of the Corporation effective May 31, 2007 and unallocated options, rights and other entitlements under the Option Plan were ratified by shareholders on June 28, 2011. The Option Plan permits the granting of options ("**Options**") to purchase Common Shares to the Corporation's employees, officers, directors and consultants for the purpose of developing the interest of the participants in the growth and development of the Corporation and to better enable the Corporation to attract and retain persons of desired experience and ability. The Option Plan facilitates the alignment of the compensation levels of the Named Executive Officers to the successful implementation of the Corporation's strategic plans by resultant increases in the price of the Common Shares. For a description of the process used by the Corporation to grant stock options, see the section herein entitled "**Option-Based Awards**". Other than as set out therein, the number of options granted are not based on benchmarks, performance goals or a specific formula. The Option Plan provides that the Board may determine the exercise price of the Option provided that the exercise price must not be less than the market price, which means, when the Common Shares are trading on an exchange, the closing price of the Common Shares on the principal stock exchange on which they are traded on the last business day preceding the grant of the Option, and may not be less than that permitted by the Toronto Stock Exchange ("**TSX**"). Substantially all of the Options have been granted so as to vest over 36 months from the date of grant. The Option Plan provides that the Board may, in its sole discretion and without further approval of the shareholders of the Corporation, amend, suspend, terminate or discontinue the Option Plan and may amend the terms and conditions of Options granted under the Option Plan (including the exercise price of the Options, the expiry date of the Options and the termination provisions of the Options), subject to any required approval of any regulatory authority or the TSX. Disinterested shareholder approval will be required for any reduction in the exercise price or the expiry date of Options granted to insiders of the Corporation. The approval of the shareholders of the Corporation will be required for amendments to the Option Plan which amend the number of Common Shares issuable pursuant to Options issued thereunder, which add any form of financial assistance by the Corporation for the exercise of an Option or which change the class of participants which may broaden or increase participation by insiders of the Corporation. Participation in the Option Plan is voluntary. Options granted under the Option Plan will be for a term of no longer than five years. The interest of any optionee under the Option Plan is not transferable or alienable by the optionee either by assignment or in any manner. The Option Plan provides the following: (i) if any optionee ceases to be a participant as a result of permanent physical or mental disability or death, then, to the extent vested, Options may be exercised for a period of one year thereafter; (ii) if an optionee ceases to be a participant for reasons other than permanent physical or mental disability or death and is terminated without notice or entitlement to notice or compensation in lieu thereof, the optionee may exercise the Options, to the extent they have vested as of the date of ceasing to be a participant; (iii) if the optionee ceases to be a participant for any reasons other than as described above, the optionee may exercise the Options, to the extent they have vested, when reasonable notice has been given, on the date the optionee ceases to be a participant and when compensation is paid in lieu of notice, for 21 days after the date the optionee ceases to be a participant. The Option Plan provides for the extension of the expiry date of any Option, which would otherwise expire during a "black-out period" for ten (10) business days from the date that any "black-out period" ends. In the event of any change in the Common Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise or in the event of any other change in the Common Shares, the Board may proportionately adjust the number of Common Shares that may be issued under existing Option agreements. In the event of a change of control, all unexercised and unvested outstanding Options shall immediately vest and be exercisable, but may only be purchased for tender to the subject transaction. If the subject transaction is not completed, any Common Shares issued and tendered pursuant to the transaction shall be deemed to be cancelled and returned to treasury. Each participant may exercise a put right to require the Corporation to purchase all or part of the then vested Options which it may hold, provided, however, that the Corporation may at its sole discretion decline to accept and accordingly, have no obligations with respect to the exercise of the put right from time to time. The Corporation will purchase such options at a price equal to the excess of the closing price of the Common Shares on the principal stock exchange on which they are traded on the date of receipt of the put notice by the Corporation over the exercise price for each Option being purchased under the put or such other amount as may be agreed to by the Optionee and the Corporation.

The Option Plan currently provides that no more than 4,467,492 Common Shares (which is equal to 10% of the currently issued and outstanding Common Shares) may be reserved for issuance upon the exercise of Options granted pursuant to the Option Plan. Of the 4,467,492 Common Shares which may be reserved for issuance upon the exercise of Options, 1,480,470 (which is equal to approximately 3.3% of the issued and outstanding Common Shares) are subject to currently issued and outstanding Options and 2,987,022 (which is equal to approximately 6.7% of the issued and outstanding Common Shares) are currently available for future grants of Options. Since June 28, 2011 (being the date of the last annual general meeting of Shareholders) 200,916 Options (which is equal to approximately 0.45% of the issued and outstanding Common Shares) have been exercised. The Option Plan is an "evergreen plan" such that all exercised or cancelled Options become available again for future grant. The aggregate number of Common Shares issuable under the Option Plan and under any other security based compensation arrangement, if any, and: (i) issued to insiders, within any one year period, shall not exceed ten

(10%) percent of the issued and outstanding Common Shares; and (ii) issuable to Insiders, shall not exceed ten (10%) percent of the issued and outstanding Common Shares.

The Corporation's executive compensation program is designed to provide Named Executive Officers with both short-term and long-term incentives to assist the Corporation to successfully implement its strategic plan, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the Corporate Governance, Nominating and Compensation Committee noted the following facts that discourage the Corporation's Named Executive Officers from taking unnecessary or excessive risk:

- the Corporation's operating strategy and related compensation philosophy;
- the effective balance, in each case, between cash and equity mix, short-term and long-term focus, corporate and individual performance, and financial and non-financial performance;
- a multi-faceted approach to performance evaluation and compensation that does not reward an executive for engaging in risky behaviour to achieve one objective to the detriment of other objectives; and
- Board policies which determine authorization levels for management and officers of the Executive Committee.

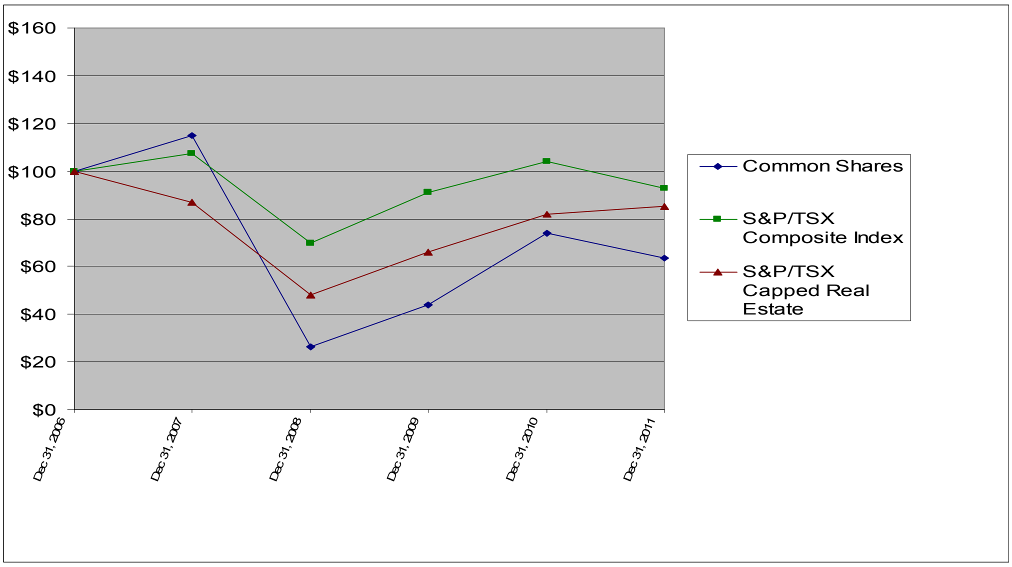
Based on this review, the Corporate Governance, Nominating and Compensation Committee believes that the Corporation's total executive compensation program does not encourage Named Executive Officers to take unnecessary or excessive risk.

The Corporation has not implemented any policies which restrict its Named Executive Officers and directors from purchasing financial instruments including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by any Named Executive Officer or director.

The Corporation will make significant changes to its compensation policies and practices in the next financial year taking into account new business strategies and performance objectives focused on cash available for distribution to shareholders.

Performance Graph

The following graph compares the yearly percentage change in the cumulative shareholder return over the last five years of the Common Shares (assuming a $100 investment was made on December 31, 2006) and the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Capped Real Estate.



	Dec 31, 2006	Dec 31, 2007	Dec 31, 2008	Dec 31, 2009	Dec 31, 2010	Dec 31, 2011
Common Shares	$100	$114.79	$26.49	$43.71	$73.95	$63.57
S&P/TSX Composite Index	$100	$107.16	$69.62	$90.99	$104.14	$92.61
S&P/TSX Composite Index – Capped Real Estate	$100	$86.89	$48.11	$65.99	$82.07	$85.17

When the Corporate Governance, Nominating and Compensation Committee and the Board determines overall compensation, it considers a number of factors and performance elements. Although total shareholder return is one performance measure that is reviewed, it is not the only consideration. As a result, a direct correlation between total shareholder return over a given period and executive compensation levels is not anticipated.

Option-Based Awards

The process that the Corporation uses to grant option-based awards to executive officers, including the Named Executive Officers, and the factors that are taken into account when considering new grants under the Option Plan, is based upon a number of criteria, including the performance of the executive officers, the number of stock options available for grant under the Option Plan, the number of stock options anticipated to be required to meet the future needs of the Corporation, as well as the number of stock options previously granted to each of the Named Executive Officers. It is the full Board, as opposed to the Corporate Governance, Nominating and Compensation Committee, which determines the need for any amendments to the Option Plan and it is the full Board which determines the number of stock option grants to be made under the Option Plan. The CEO provides input and recommendations to the Board regarding the granting of stock options, from time to time. The CEO, in turn, and where appropriate, also obtains input from other executive officers of the Corporation when providing his input and recommendations. Other than as set out immediately above, the grant of option-based awards is not determined based on benchmarks, performance goals or a specific formula.

Compensation Governance

The Corporate Governance, Nominating and Compensation Committee is currently comprised of five (5) directors, namely, Akhil K. Manro, who also acts as Chairman, as well as Steven J. Glover, Mark W. Mitchell, Michael Brodsky and Sandy I. Poklar. Messrs. Brodsky and Poklar were appointed to the Corporate Governance, Nominating and Compensation Committee on July 12, 2012. Messrs. Manro, Glover, Mitchell and Brodsky are independent within the meaning of Section 1.4 of National Instrument 52-110 *Audit Committees*. Mr. Poklar is not considered independent as a result of his employment as a senior officer of a company which has extended loans to the Corporation.

Each member of the Corporate Governance, Nominating and Compensation Committee has direct experience that is relevant to his responsibilities for executive compensation within the Corporation. Mr. Manro has been an associate of an active private corporation, with significant real estate operations, for over 15 years, and also has 3 years of public company experience as a director. Mr. Glover has over 7 years of public issuer experiencing both as an officer and as a director. Mr. Mitchell has been President of an active private corporation, with significant real estate operations, for over 10 years. He also has over 2 years of public issuer experience as a director. Mr. Brodsky has over 4 years of public issuer experience both as an officer and director. Mr. Poklar has approximately 16 years of experience in accounting, taxation, investment banking, equity research and real estate operations. The skills and experience possessed by the members of the Corporate Governance, Nominating and Compensation Committee, acquired as a result of their lengthy and extensive business careers, enable them to make decisions on the suitability of the Corporation's compensation policies and practices. The responsibilities, powers and operation of the Corporate Governance, Nominating and Compensation Committee are set out in the Corporate Governance, Nominating and Compensation Committee Mandate and, in addition to the matters set out above, are also described herein under the section entitled "Disclosure of Corporate Governance Practices – Compensation".

Share Based Compensation & Non-equity Incentive Plan Compensation

The Corporation has not at any time granted any share-based compensation nor has it provided any awards pursuant to a non-equity incentive plan, other than those awards granted pursuant to the Bonus Plan.

Benefit, Pension, Retirement, Deferred Compensation and Actuarial Plans

The Corporation currently has no defined benefit, pension, retirement, deferred compensation or actuarial plans for its Named Executive Officers or directors of the Corporation.

Compensation of Named Executive Officers

Securities legislation requires the disclosure of compensation received by each Named Executive Officer of the Corporation for the most recently completed financial year. During the Corporation's most recently completed financial year, the Corporation had three Named Executive Officers, namely Jeff Blair, Simon Fletcher and Gobi Singh. The following table provides a summary of all compensation for the last three (3) financial years ended December 31, 2011 paid to the Named Executive Officers of the Corporation.

Name and principal position	Year[(1)]	Salary ($)	Option Based awards[(9)] ($)	Annual incentive plan[(7)] ($)	All other Compensation[(2)] ($)	Total Compensation[(3)] ($)
Jeff Blair	2011	188,380	Nil	61,300	Nil	249,680
Interim Chief	2010	123,853	Nil	40,000	Nil	163,853
Executive Officer and Chief Operating Officer[(8)]	2009	107,110	93,722	20,000	Nil	220,832
Simon Fletcher,	2011	156,000	Nil	30,000	Nil	186,000
Chief Financial	2010	132,500	Nil	40,000	Nil	172,500
Officer[(5)]	2009	117,010	39,364	15,000	Nil	171,374
Val Salov, Corporate Controller	2011	137,500	Nil	25,000	Nil	162,500
Gobi Singh, former	2011	262,213	Nil	Nil	Nil	262,213
President and Chief	2010	400,000	Nil	150,000	Nil	550,000
Executive Officer[(4) (6)]	2009	400,000	187,445	50,000	Nil	637,445

Notes:

(1) In accordance with applicable securities laws, the Corporation is not required to disclose comparative period disclosure in respect of a financial year ending before December 31, 2009.

(2) The value of perquisites received by each of the Named Executive Officers, including property or other personal benefits provided to the Named Executive Officers that are not generally available to all employees, were not in the aggregate greater than $50,000 or 10% of the Named Executive Officers total salary for the financial year.

(3) Represents the aggregate of Salary, Option-based awards, Annual incentive plan and all other compensation.

(4) Mr. Singh was also a director of the Corporation until August 29, 2011. He received no compensation in consideration of acting as a director.

(5) Mr. Simon Fletcher was appointed Chief Financial Officer of the Corporation on October 2, 2009.

(6) Gobi Singh was the President and Chief Executive Officer of the Corporation from December 2, 1997 to April 24, 2009. Mr. Singh was re-appointed as President and Chief Executive Officer of the Corporation on May 21, 2009 and resigned as an officer and director of the Corporation on August 29, 2011.

(7) Pursuant to the Bonus Plan, these amounts were earned in 2009, 2010 and 2011 and were paid out to the Named Executive Officers in 2009, 2010 and 2012, respectively.

(8) Mr. Blair was appointed Chief Operating Officer of the Corporation on December 9, 2009 and was appointed Interim Chief Executive Officer on October 11, 2011.

(9) The value of the option-based awards represents the fair value of stock options granted using the Black-Scholes option pricing model. The option grant fair value reflects an expected life of three years for the options as well as assumptions for volatility, risk-free interest and dividend yield. The aggregate number of options held by each of the Named Executive Officers, including the number of options granted to each Named Executive Officer during the financial year which is set out in the table under the heading entitled "Outstanding Option-Based Awards".

Outstanding Option-Based Awards

The following table sets forth information in respect of Option-based awards outstanding at the end of the financial year ended December 31, 2011 held by the Named Executive Officers of the Corporation. The Named Executive Officers did not receive any share based awards.

Name	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money Options(1)(2) ($)
Jeff Blair	35,000	4.40	January 17, 2012	Nil
	50,000	3.25	August 14, 2013	Nil
	100,000	2.01	December 10, 2014	62,250
Simon Fletcher	15,000	9.41	May 22, 2012	Nil
	15,000	8.16	May 22, 2012	Nil
	15,000	6.91	May 22, 2012	Nil
	15,000	3.49	August 29, 2013	Nil
	42,000	2.01	December 10, 2014	27,405
Val Salov	3,750	2.01	November 19, 2014	3,263
	10,000	0.90	March 16, 2014	19,800
Gobi Singh	Nil	Nil	Nil	Nil

Notes:

(1) Based on the closing price of the Common Shares on December 30, 2011 of $2.88 being the last day the Common Shares traded on the TSX during the financial year ended December 31, 2011.

(2) Calculated based on the difference between the market price of the Common Shares underlying the Options and the exercise price of the Options.

(3) On March 9, 2012, Mr. Blair was granted an additional 100,000 options at an exercise price of $3.21 per share exercisable on or before March 9, 2017 in accordance with the terms of his employment agreement effective August 29, 2011.

Option-based Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during the Corporation's financial year ended December 31, 2011 in respect of option-based awards for Named Executive Officers if the options under the option-based award had been exercised on the vesting date. The Named Executive Officers did not receive any share-based awards or non-equity incentive plan compensation.

Name	Number of options vested during the year (#)	Exercise price of options ($)	Vesting date	Closing price of Common Shares on vesting date ($)(1)	Value (implied gain if option was exercised)vested during the year(2) ($)
Jeff Blair	12,500	2.01	June 10, 2011	3.67	20,750
	12,500	2.01	December 10, 2011	3.03	12,750
Simon Fletcher	5,250	2.01	June 10, 2011	3.67	8,715
	5,250	2.01	December 10, 2011	3.03	5,355
Val Salov	15,000	0.90	March 16, 2011	3.77	43,050
	1,250	2.01	May 19, 2011	4.60	3,237
	1,250	2.01	November 19, 2011	3.39	1,725
Gobi Singh	25,000	2.01	June 10, 2011	3.67	41,500

Note:

(1) Based on the market price defined in the Option Plan which is the closing price on the TSX of the Common Shares on the trading day prior to the vesting date.

(2) Represents the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on vesting date based on the difference between the closing market price of the Common Shares on the vesting date and the exercise price of the options held.

Termination and Change of Control Benefits

Other than as set forth herein, there is no contract, agreement, plan or arrangement between the Corporation and a

Named Executive Officer that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in a Named Executive Officer's responsibilities.

Employment Agreements

Jeffrey Blair

The Corporation entered into a new employment agreement dated effective August 29, 2011 with Jeffrey Blair one of the Named Executive Officers for a one year term which replaced his previous Employment Agreement dated December 7, 2009. As a result of Mr. Blair being appointed Interim CEO, effective August 29, 2011 his base salary was increased to $250,000 per annum. In the event of a termination of employment without cause, or a change of control (as such term is hereinafter defined) situation whereby the Named Executive Officer is terminated, the Named Executive Officer is entitled to receive an amount equal to two times his annual base salary plus an amount equal to $50,000 for lost benefits and perquisites plus an amount equal to the average bonus paid to the CEO in the previous two years. The estimated incremental payments, payables and benefits which might be paid by the Corporation for the Named Executive Officer, assuming a termination of employment without cause or a change of control occurred on December 31, 2011, would be, in the aggregate, approximately $600,650.

Gobi Singh

The Corporation entered into an employment agreement (the "**Employment Agreement**") approved by the Board on November 16, 2009, effective June 24, 2009 with respect to Mr. Gobi Singh's employment as the President and Chief Executive Officer of the Corporation. The Employment Agreement terminated as a result of Mr. Singh's resignation as President and Chief Executive Officer and director of the Corporation on August 29, 2011 without payment of any termination fee.

The Corporation entered into a six month Advisory Services Agreement dated August 30, 2011 with 1512638 Alberta Ltd., whose key employee is Gobi Singh, the former President and Chief Executive Officer of the Corporation, to provide advisory services to the Corporation after his resignation as President and Chief Executive Officer of the Corporation on August 29, 2011 for a hourly rate of $200 per hour up to a maximum daily rate of $1,500 per day. Assuming a termination of the Advisory Services Agreement without cause or a change of control occurred on December 31, 2011, there would have been a termination fee based on 50% of the maximum daily rate multiplied by three months for a total of $49,400 payable to Mr. Singh. The Advisory Services Agreement terminated on March 31, 2012, without payment of any termination fee.

For purposes of Mr. Blair's employment agreement, and Mr. Singh's Advisory Services Agreement a "change of control" shall be deemed to have occurred at such time as:

(a) the direct or indirect acquisition by any Person or entity of securities of Corporation representing more than fifty percent (50%) of the corporation's voting rights; or

(b) an agreement for the sale, lease or other disposition of all or substantially all of the property or assets of the Corporation; or

(c) a reorganization of the Corporation leading to an assignment of the Corporation's rights in the Agreement to a Related Person; or

(d) a merger of the Corporation; or

(e) the approval by the shareholders of the Corporation of a plan for its complete liquidation;

and the following event:

a change in the composition of the Corporation's Board which occurs at a single meeting of the shareholders of the Corporation or upon the execution of a shareholder's resolution, such that individuals who are members of the Board immediately prior to such meeting or resolution cease to constitute a majority of the Board, without the Board, as constituted immediately prior to such meeting or resolution, having approved of such change.

Simon Fletcher

Simon Fletcher, the Chief Financial Officer of the Corporation, entered into an employment agreement effective October 2, 2009 with the Corporation. Pursuant to the agreement, either party may at any time, by written notice to the other, terminate the agreement for cause which termination shall be effective upon delivery of written notice to such effect. The Corporation shall pay all salary and benefits earned by Mr. Fletcher to the date of termination for cause but shall not be obligated to pay any other amounts except as provided in the agreement. In the event the Corporation terminates the agreement for any reason other than cause, the Corporation shall pay to Mr. Fletcher, within 7 business days after the date of termination an amount equal to: (a) the aggregate of one half of his then current annual salary and the bonus paid to him, if any, in respect of the most recently completed financial year, plus (b) the aggregate of all employee benefits which would have been available to Mr. Fletcher for a period of 6 months from the effective date of the termination. The estimated incremental payments, payables and benefits which might be paid by the Corporation to Mr. Fletcher, assuming a termination of employment without cause or a change of control occurred on December 31, 2011, would be, in the aggregate, approximately $93,393.

Val Salov

Val Salov, the Corporate Controller, entered into an employment agreement effective October 19, 2009 with the Corporation. Pursuant to the agreement, either party may at any time, by written notice to the other, terminate the agreement, or the Corporation may terminate the agreement for cause. The termination shall be effective upon delivery of written notice to such effect and the Corporation would pay all salary and benefits earned by Mr. Salov to the date of termination but shall not be obligated to pay any other amounts except as provided in the agreement. In the event the Corporation terminates the agreement for any reason other than cause, the Corporation shall pay to Mr. Salov, all amounts required under the *Employment Standards Code* of Alberta. The estimated incremental payments, payables and benefits which might be paid by the Corporation to Mr. Salov, assuming a termination of employment without cause or a change of control occurred on December 31, 2011, would be, in the aggregate, approximately $68,750.

The Option Plan

The Option Plan provides that if an Offer (as such term is hereinafter defined) is made which, if successful, would result in a COC (as such term is hereinafter defined), then all unexercised and unvested outstanding Options shall immediately vest and become exercisable by the holders, notwithstanding any other vesting provisions in the Option Plan or in an agreement providing for the Option, as to all or any of the Common Shares in respect of which such Options have not previously been exercised, but such shares may only be purchased for tender pursuant to such Offer. If for any reason such Common Shares are not taken up and paid for by the offeror pursuant to the Offer, any such Common Shares so purchased by an optionee shall be deemed to be cancelled and returned to the treasury of the Corporation, shall be added back to the number of Common Shares remaining available under the Option Plan and, upon presentation to the Corporation of share certificates representing such Common Shares properly endorsed for transfer back to the Corporation, the Corporation shall refund to the participant all consideration paid for such Common Shares and, in such event, the participant shall thereafter continue to hold the same number of unexercised and unvested outstanding Options on the same terms and conditions, including the exercise price thereof, as were applicable thereto immediately prior to time the subject Offer was made.

For the purposes of the Option Plan, “Offer” means an offer made generally to the holders of the Common Shares in one or more jurisdictions to acquire, directly or indirectly, Common Shares and which is the nature of a “takeover bid” as defined under the Securities Act (Alberta) and where the Common Shares are listed and posted for trading on a stock exchange, not exempt from the formal bid requirements of the *Securities Act* (Alberta). For the purposes of the Option Plan, “COC” means the purchase or acquisition of Common Shares and/or securities convertible into or exchangeable or exercisable for Common Shares as a result of which a person, group of persons or persons acting jointly or in concert, or persons who are Associates of or affiliated with, within the meaning of the *Securities Act* (Alberta), any such person, group or persons or any of such persons acting jointly or in concert, beneficially owns or exercises control or direction over Common Shares and/or securities convertible into or exchangeable or exercisable for Common Shares such that, assuming the conversion, exercise or exchange of all such securities, would entitle such person, group of persons or person acting jointly or in concert to cast 50% plus one of the votes attaching to all Common Shares, excluding, however, a purchase or acquisition of Common Shares in connection with a reverse take-over as defined in the policies of any stock exchanges upon which the Common Shares are listed and posted for trading, and provided that the beneficial ownership by or exercise or control or direction over securities by shareholders of the Corporation as at the date of the Option Plan shall not constitute or be counted towards a Change of Control.

Estimated Incremental Payments and Benefits as of December 31, 2011

The following table sets forth the estimated incremental payments and benefits that would be received by the Named Executive Officers following a termination without cause or a change of control, in each case had such events occurred on December 31, 2011, and assuming the payment of severance in lieu of notice.

Name and Principle Position	Base Salary(1) ($)	Option Plan(2) ($)	Total ($)
Jeff Blair, Interim Chief Executive Officer and Chief Operating Officer	600,650	87,000	687,650
Simon Fletcher, Chief Financial Officer	93,393	36,540	129,933
Val Salov, Corporate Controller	68,750(3)	23,063	91,813
Gobi Singh, former President and Chief Executive Officer	49,400	Nil	49,400(4)

Note:

(1) Represents the Named Executive Officer's base salary for the termination period.

(2) The amounts presented are calculated based on the differences between the closing price of the Common Shares on the TSX on December 30, 2011 being the last day the Common Shares traded during the year ended December 31, 2011 ($2.88), and the exercise price of such options that were not vested but would vest if an Offer was made.

(3) Represents base salary for change of control only.

(4) Mr. Singh's Advisory Services Agreement terminated on March 31, 2012, without payment of any termination fee.

Compensation of Directors

Summary Compensation for Directors

The compensation paid to the directors of the Corporation, excluding Mr. Singh, during the financial year ended December 31, 2011 consisted of an annual fee of $45,000, each chair of the Board and any committee receiving an additional fee of $10,000. Effective August 3, 2011, the Board resolved to eliminate the payment of a fee for each meeting of the Board and any committee thereof, and set the following annual retainers: Chairman of the Board - $60,000, Board member other than the Chairman - $35,000; Chair of any committee of the Board - $15,000; and member of any committee of the Board - $5,000. The directors may also be granted options under the Option Plan and are entitled to reasonable travel and other out-of-pocket expense reimbursement for costs relating to their duties as directors. All matters related to the compensation of directors who are not employees of the Corporation are reviewed by the Corporate Governance, Compensation and Nominating Committee which recommends to the Board the level of compensation and any adjustments necessary to take into account the level of work and the responsibilities of the members of the Board and its committees.

The following table sets forth information in respect of all amounts of compensation provided to the directors of the Corporation during the financial year ended December 31, 2011, excluding Mr. Singh, whose compensation information is provided under the heading "*Compensation of Named Executive Officers*".

Name	Fees Earned ($)	Option Based Awards ($)	All Other Compensation	Total $
Doug N. Baker	65,000	Nil	Nil	65,000
Yazdi J. Bharucha	55,000	Nil	Nil	55,000
Elias Foscolos	49,375	Nil	Nil	49,375
Steven J. Glover	55,625	Nil	Nil	55,625

Name	Fees Earned ($)	Option Based Awards ($)	All Other Compensation	Total $
Akhil K. Manro	52,500	Nil	Nil	52,500
Mark W. Mitchell	42,500	Nil	Nil	42,500
Michael Brodsky(1)	Nil	Nil	Nil	Nil
Sandy I. Poklar(1)	Nil	Nil	Nil	Nil

Notes:
(1) Messrs. Brodsky and Poklar were appointed to the Board on July 12, 2012.

Outstanding Option-Based Awards

The following table sets forth information in respect of Option-based awards outstanding at the end of the financial year ended December 31, 2011 held by the directors.

Name(1)	Number of securities underlying unexercised Options (#)	Option exercise price ($)	Option expiration date at Year End	Value of unexercised in-the-money Options(2)(3) ($)
Doug N. Baker	75,000	3.62	August 18, 2015	Nil
Yazdi J. Bharucha	75,000	3.27	November 18, 2015	Nil
Elias Foscolos	50,000	3.62	August 18, 2015	Nil
Steven J. Glover	75,000	3.27	November 18, 2015	Nil
Akhil K. Manro	50,000 75,000	1.17 3.62	May 25, 2014 August 18, 2015	85,500 Nil
Mark W. Mitchell	75,000	3.62	August 18, 2015	Nil
Michael Brodsky(4)	Nil	Nil	Nil	Nil
Sandy I. Poklar(4)	Nil	Nil	Nil	Nil

Notes:
(1) Information for Gobi Singh, the former President, Chief Executive Officer and a director of the Corporation is provided under *"Compensation of Named Executive Officers"*.
(2) Based on the closing price of the Common Shares on December 30, 2011 of $2.88, being the last day the Common Shares traded on the TSX during the year ended December 31, 2011.
(3) Based on the difference between the market price of the Common Shares underlying the Options at December 31, 2011 and the exercise price of the Options.
(4) Messrs. Brodsky and Poklar were appointed to the Board on July 12, 2012.

Option-based Awards – Value Vested During the Year

The following table sets forth information in respect of the value vested during the Corporation's financial year ended December 31, 2011, in respect of Option-based awards for the directors of the Corporation.

Name(1)	Option-based awards – Value vested during the year(2) ($)
Doug N. Baker	Nil
Yazdi J. Bharucha	3,000
Elias Foscolos	Nil
Steven J. Glover	3,000
Akhil K. Manro	Nil
Mark W. Mitchell	Nil
Michael Brodsky(3)	Nil
Sandy I. Poklar(3)	Nil

Notes:

(1) Compensation information for Gobi Singh, the former President, Chief Executive Officer and a former director of the Corporation is provided under the heading "*Compensation of Named Executive Officers*".

(2) Calculated based on the difference between the market price of the Common Shares underlying the Options at the vesting date and the exercise price of the Option.

(3) Messrs. Brodsky and Poklar were appointed to the Board on July 12, 2012.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the Corporation's compensation plans under which equity securities are authorized for issuance as at December 31, 2011.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
The Option Plan	1,788,221	$3.60	2,660,208
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	1,788,221	$3.60	2,660,208

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee, former director, former executive officer or former employee of the Corporation or its subsidiaries, or any associate or affiliate of the foregoing, have been indebted at any time since the beginning of the most recently completed financial year of the Corporation to the Corporation. None of the persons described in the preceding sentence were at any time since the beginning of the most recently completed financial year of the Corporation indebted to another entity to which the indebtedness was 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.

For the purposes of the above, "support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, of any "informed person" of the Corporation, any proposed director of the Corporation or any associate or affiliate of any "informed person" or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

For the purposes of the above, "informed person" means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who:

(i) has acted as director or executive officer of the Corporation since the beginning of the Corporation's last financial year;

(ii) is a proposed nominee for election as a director of the Corporation; or

(iii) is an associate or affiliate of any of the persons listed directly above in (i) and (ii),

in any matter to be acted upon at the Meeting other than the election of directors.

MANAGEMENT CONTRACTS

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

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in this Circular the disclosure required under Form 58-101F1 with respect to the matters set out under National Policy 58-201 *Corporate Governance Guidelines*. Copies of the corporate governance policies of the Corporation may be found on the Corporation's website at www.genesisland.com.

Board of Directors

The Board, which has the statutory responsibility to oversee the conduct of the business of the Corporation and to supervise management, who are responsible for the daily conduct of the business of the Corporation, is comprised of eight directors, all of which are independent. A director is independent if he would be independent within the meaning of section 1.4 of National Instrument 52-110 - *Audit Committees*. Currently, the independent directors are Doug N. Baker, Yazdi J. Bharucha, Elias Foscolos, Steven J. Glover, Akhil K. Manro, Mark W. Mitchell and Michael Brodsky. Sandy I. Poklar is not considered independent as a result of his employment as a senior officer of a company which has extended loans to the Corporation. Gobi Singh was a director of the Corporation until his resignation on August 29, 2011. Mr. Singh was not considered independent by virtue of being an executive officer of the Corporation.

The following current directors or director nominees are presently directors of other issuers that are reporting issuers (or the equivalent):

Name of Director	Name of Other Reporting Issuers
Doug N. Baker	Winstar Resources Ltd. RMP Energy Inc. Century Energy Ltd. Bellatrix Exploration Ltd. Longview Oil Corp.
Elias Foscolos	Acorn Income Corp. Seaway Energy Services Inc.
Michael Brodsky	Selectica, Inc.
Mark Scott	China Education Resources Inc.

During the financial year ended December 31, 2011 the independent directors of the Corporation did not hold any regularly scheduled meetings at which non-independent directors and members of management were not in attendance. In order to provide leadership for the independent directors, the Board encourages communication among the independent directors and considered or held meetings of the independent directors at the end of each Board meeting. The Board facilitates open and candid discussion among its independent directors by making it clear that the independent directors can meet by themselves whenever they wish to do so and by providing an opportunity for the independent directors to meet without any members of management present at meetings of the Board, Audit Committee, the Executive Committee and the Corporate Governance, Nominating and Compensation Committee. While the Board relies heavily on information provided to it by management, it functions independently of management. Mr. Baker, the Chairman of the Board, is not a member of management and chairs all meetings of the Board at which he is present. The independent directors are in regular communication with the Corporation's CEO and Chief Financial Officer outside of formal Board meetings and processes.

The independent directors, as members of the Audit Committee, also meet with the Corporation's auditors. These meetings are independent of management for the purposes of planning their activities and thereafter to supervise such activities. The other purpose of these meetings is to ensure that such auditors: receive full access to all requested information and receive full cooperation of management; that they are not subject to any pressure from management; that there are no outstanding disagreements with management; that they are not aware of any evidence of illegal or fraudulent acts; and that they are not aware of any other significant matters that should be brought to the attention of the directors.

During the financial year ended December 31, 2011, the Board held 15 meetings. The following chart discloses the attendance record of each director for all meetings of the Board and standing committees of the Board held since the beginning of the most recently completed financial year.

Directors	**Board** **Attendance/Number of Meetings (rating %)**	**Audit** **Attendance/Number of Meetings (rating %)**	**Governance, Compensation and Nominating** **Attendance/Number of Meetings (rating %)**	**Executive** **Attendance/Number of Meetings (rating %)**
Doug Baker	15/15 (100%)	N/A	N/A	N/A
Yazdi Bharucha	15/15 (100%)	6/6 (100%)	N/A	2/2 (100%)
Elias Foscolos	14/15 (93%)	5/6 (83%)	N/A	2/2 (100%)
Steven Glover	15/15 (100%)	5/6 (83%)	3/3 (100%)	N/A
Akhil Manro	14/15 (93%)	N/A	3/3 (100%)	N/A
Mark Mitchell	15/15 (100%)	N/A	3/3 (100%)	N/A
Gobi Singh(1)	11/11 (100%)	N/A	N/A	N/A
Michael Brodsky(2)	N/A	N/A	N/A	N/A
Sandy Poklar(2)	N/A	N/A	N/A	N/A

Notes:
(1) Mr. Gobi Singh resigned from the Board on August 29, 2011.
(2) Michael Brodsky and Sandy I. Poklar were appointed to the Board on July 12, 2012.

Currently, the Board has established the following standing Board committees comprised of the members and chaired by the individuals set out in the following table:

Committee	Members	Independent
Audit Committee	Steven J. Glover - Chair Yazdi J. Bharucha Elias Foscolos Michael Brodsky	Yes Yes Yes Yes
Executive Committee	Yazdi J. Bharucha, Chair Elias Foscolos Michael Brodsky Sandy I. Poklar	Yes Yes Yes No
Corporate Governance, Nominating and Compensation Committee	Akhil K. Manro - Chair Steven J. Glover Mark W. Mitchell Michael Brodsky Sandy I. Poklar	Yes Yes Yes Yes No

Board Mandate

The text of the Board's written mandate is attached hereto as Schedule "A".

Position Descriptions

The Board has outlined the duties, the role and responsibilities of the chair of the Board and the chair of each of the Audit Committee, the Executive Committee and the Corporate Governance, Compensation and Nominating Committee in the respective mandate or charter of each of the foregoing committees and expects the chair of each committee to follow same.

The Board together with the CEO has developed a written position description for the CEO.

Doug N. Baker was appointed as the Chair of the Board on October 15, 2010 and is considered independent. The Chair of the Board is instructed by the Board to preside at all meetings of directors and at all meetings of the shareholders. The Board has made it clear that his responsibilities and role also includes acting as spokesperson and a representative of the Corporation and provide support and advise to the CEO and the committees of the Board. He is expected to be fair and a good communicator.

Orientation and Continuing Education

The Corporation has developed an orientation program for new directors which provides each new director with a director manual containing information regarding the roles and responsibilities of the Board and each Committee of the Board, as well as information regarding the nature and operation of the Corporation's business, its organizational structure and governance policies.

The Corporation arranges for presentations to be made to the Board and each Committee of the Board to inform directors regarding corporate developments and changes in legal, regulatory and industry requirements affecting the Corporation. In addition, the Corporation has offered to pay for continuing education courses for the directors. As well, directors are encouraged to visit the Corporation's facilities, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Corporation.

Ethical Business Conduct

The Corporation has adopted a written code of business conduct and ethics (the "**Code**") for the Corporation's directors, officers and employees. The Board does not monitor compliance with the Code, but it encourages following the Code by making it widely available. It is distributed to directors in the director's manual and to officers and employees at the commencement of their employment and it is posted on the Corporation's internal website and is available under the Corporation's profile on the SEDAR website at www.sedar.com. The Code reminds those engaged in service to the Corporation that they are required to report perceived or actual violations of the law, violations of the Corporation's policies, dangers to health, safety and the environment, risks to the Corporation's property, and accounting or auditing irregularities to the chair of the Audit Committee who is an independent director of the Corporation. In addition to requiring directors, officers and employees to abide by the Code, the Corporation encourages consultants, service providers and all parties who engage in business with the Corporation to contact the chair of the Audit Committee of the Corporation regarding any perceived and all actual breaches by the Corporation's directors, officers and employees of the Code. The chair of the Audit Committee of the Corporation is responsible for investigating complaints, presenting complaints to the applicable Board committee or the Board as a whole, and developing a plan for promptly and fairly resolving complaints. Upon conclusion of the investigation and resolution of a complaint, the chair of the Audit Committee of the Corporation will advise the complainant of the corrective action measures that have been taken or advise the complainant that the complaint has not been substantiated. The Code prohibits retaliation by the Corporation, its directors and management, against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practical. Complainants may also submit their concerns anonymously in writing. In addition to the Code, the Corporation has an Audit Committee Mandate and a Whistleblower Policy with respect to accounting and auditing irregularities. Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code. The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required by the Board Mandate to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Corporation. The Board is responsible for reviewing departures from the Code, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law. In addition, the Board is responsible for responding to potential conflict of interest situations, particularly with respect to considering existing or proposed transactions and agreements in respect of which directors or executive officers advise they have a material interest. The Board Mandate requires that directors and executive officers disclose any interest and the extent, no matter how small, of their interest in any transaction or agreement with the Corporation, and that directors excuse themselves from both Board deliberations and voting in respect of transactions in which they have an interest. By taking these steps the Board strives to ensure that directors exercise independent judgement, unclouded by the relationships of the directors and executive officers to each other and the Corporation, in considering transactions and agreements in respect of which directors and executive officers have an interest. Any director, officer or employee of the Corporation who violates the Code may face disciplinary action up to and including termination of their office or employment with the Corporation for just cause without notice or payment in lieu of notice.

Nomination of Directors

The Board has established a Corporate Governance, Nominating and Compensation Committee (that is composed of a majority of independent directors) that has the responsibility for identifying and recommending to the Board new candidates to join the Board. The criteria that the Corporate Governance, Nominating and Compensation Committee members are asked to consider in identifying candidates includes the independence of the individual, his or her financial acumen and skills, and availability to devote sufficient time to the duties of the Board. Board members who have identified new candidates present information regarding the candidate to the Corporate Governance, Nominating and Compensation Committee and the Corporate Governance, Nominating and Compensation Committee makes an assessment of the candidate, determining whether the candidate meets the criteria established by the Corporate Governance, Nominating and Compensation Committee, and then makes a decision whether to interview the candidate. If the Corporate Governance, Nominating and Compensation Committee members who interviewed the candidate are in favour of having the candidate stand for election, the Corporate Governance, Nominating and Compensation Committee makes a recommendation to the Board and the Board takes a vote and if the candidate is approved, the candidate becomes a nominee for election by the shareholders at the next shareholder meeting of the Corporation.

Compensation

The Corporation has a Corporate Governance, Nominating and Compensation Committee (that is composed of a majority of independent directors) that annually determines the compensation to be received by the Corporation's directors and the Named Executive Officers. Compensation is based on the underlying philosophy that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contributions of the individuals involved and overall performance of the Corporation. With respect to directors' compensation, the Corporate Governance, Nominating and Compensation Committee reviews the level and form of compensation received by the directors, members of each committee, the Board chair and the chair of each Board committee, considering the duties and responsibilities of each director, his or her past service and continuing duties in service to the Corporation. The compensation of directors, the CEO and executive officers of competitors are considered, to the extent publicly available, in determining compensation and the Compensation Committee has the power to engage a compensation consultant or advisor to assist in determining appropriate compensation.

Executive Committee

The Corporation has established an Executive Committee (that is composed of a majority of independent directors) that has the responsibility to exercise limited powers and authority of the Board, during intervals between meetings of the Board, when, based on the business needs of the Corporation, it is desirable for the Board to meet but the convening of a special Board meeting is not warranted as determined by the Chairman of the Board.

Other Board Committees

Currently the Board has three standing committees of the Board, the Audit Committee, the Executive Committee and the Governance, Compensation and Nominating Committee. Other than the three standing committees the Board has no other committees of the Board other than the Disclosure Committee, Special Committee – Special Projects and the Special Committee – Strategic Alternatives.

Disclosure Committee

The Board has established a Disclosure Committee of the Corporation (the "**Disclosure Committee**"). The Disclosure Committee is comprised of the Chairman of the Board, the Chief Executive Officer and the Chief Financial Officer of the Corporation. The function of the Disclosure Committee is to ensure that the written and oral communications by the Corporation to the public and to applicable regulatory authorities are disseminated in a timely and factually accurate manner and to assist the Corporation in maintaining and complying with its disclosure policy.

Special Committee – Special Projects

The Corporation has established a special committee of the Board (the "**Special Committee – Special Projects**"). The Special Committee – Special Projects is comprised of five independent directors, which currently include Doug N. Baker, Yazdi J. Bharucha, Akhil K. Manro, Mark W. Mitchell and Michael Brodsky, and one non-independent director, Sandy I. Poklar. The Special Committee – Special Projects is not a standing committee of the Board and the Board has adopted a limited mandate for the committee. The mandate established for the Special Committee – Special Projects was to investigate, analyze, consider and provide advice and recommendation to the Board relating to all matters referred to in the Special Committee from time to time by the Board. The Special Committee – Special Projects did not hold any meetings since the beginning of the last fiscal year.

Special Committee - Strategic Alternatives

The Corporation has established a second special committee of the Board (the "**Special Committee – Strategic Alternatives**"). The Special Committee – Strategic Alternatives is comprised of five independent directors, which currently include Doug N. Baker, Yazdi J. Bharucha, Elias Foscolos, Steven J. Glover and Michael Brodsky, and one non-independent director, Sandy I. Poklar. The Special Committee – Strategic Alternatives is not a standing committee of the Board and the Board has adopted a limited mandate for the committee. The mandate established for the Special Committee – Strategic Alternatives was to investigate, analyze, consider and provide advice and recommendation to the Board relating to any proposals for the acquisition of the Corporation and to consider and advise the Board as to whether any such proposal would be in the best interests of the Corporation and the shareholders. The Special Committee – Strategic Alternatives held 23 meetings since the committee was established on March 31, 2011.

Assessments

In addition to determining compensation, the Corporate Governance, Nominating and Compensation Committee is responsible for conducting an annual evaluation and assessment of the performance, contribution and effectiveness of individual directors, the Board chair and each Board committee chair, each Board committee and the Board as a whole. The evaluation and review includes a Board questionnaire which asks directors to identify their own skills, their contributions to the Board and Board committees and to rate their effectiveness, as well as a peer review questionnaire which asks directors to rate the contributions and effectiveness of their fellow Board members. The annual review also asks directors to provide feedback on the Board Mandate, the Corporation's charters, the Code and other policies. The Corporate Governance, Nominating and Compensation Committee is required to prepare a report on the information gathered pursuant to the annual assessment, the results of which are then presented to the Board in order to engage in a discussion regarding Board effectiveness and how to improve Board effectiveness.

AUDIT COMMITTEE

Under National Instrument 52-110 *Audit Committees*, the Corporation is required to include in its Annual Information Form ("AIF") the disclosure required under Form 52-110F1 with respect to its Audit Committee, including the text of its audit committee charter, the composition of the Audit Committee and the fees paid to the external auditor and to include in the Circular a cross-reference to the sections in the AIF that contain the required information. The Corporation's disclosure with respect to the foregoing is contained in Appendix "A" of the Corporation's AIF dated March 22, 2012 entitled "*Information Concerning Audit Committee*".

PARTICULARS OF MATTERS TO BE ACTED ON

Financial Statements and Auditors' Report

At the Meeting, shareholders will receive and consider the financial statements of the Corporation for the year ended December 31, 2011 and the auditors' report thereon, but no vote by the shareholders with respect thereto is required or proposed to be taken.

Fixing Number of Directors and Election of Directors

For this forthcoming year, it is proposed that the Board shall consist of seven (7) members. Management therefore intends to place before the Meeting, for approval, with or without modification, a resolution fixing the Board at seven (7) members for the next ensuing year. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the shareholder has specified in his or her proxy that their shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the By-laws of the Corporation.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by him, his province of residence, his principal occupation at the present and during the preceding five years, the period during which he has served as a director and the number of voting Common Shares that he has advised are beneficially owned by him, directly or indirectly, or over which control or direction is exercised, as of the Record Date.

Unless otherwise directed, it is the intention of the Management Designees to vote proxies in the accompanying form in favour of the ordinary resolution fixing the number of directors at seven (7) members and the election of nominees hereinafter set forth as directors for the ensuing year.

Name and Province of Residence	Principal Occupation for Past Five Years	Director Since	Voting Shares Beneficially Owned or over which Control or Direction is Exercised(4)
Yazdi Bharucha(1) (3) Toronto, Canada	Corporate Director. Chief Financial Officer of Canadian Apartment Properties Real Estate Investment Trust (CAPREIT) from 1997 until September 2009. Mr. Bharucha is a Chartered Accountant and holds the Institute Certified Director designation (ICD.D) from the Institute of Corporate Directors.	November 18, 2010	Nil
Michael Brodsky(1) (2) (3) Chevy Chase, Maryland U.S.A.	Corporate Director. Partner with Spring Valley Partners, a consulting firm. Co-Chief Executive Officer of Federated Sports & Gaming Inc. from December 2010 to March 2012. Managing Partner of New World Opportunity Partners, June 2005 to August 2010. Chairman, Chief Executive Officer and Director of Youbet.com, Inc. from April 2008 to June 2010.	July 12, 2012	Nil
Steven J. Glover(1) (2) Alberta, Canada	Chief Financial Officer to Western Plains Petroleum Ltd. and Clearview Resources Ltd. He is currently a member of the board of directors, and Chair of the Audit Committee of an Alberta crown corporation, Travel Alberta. Mr. Glover is a Fellow of the Chartered Accountants.	November 18, 2010	Nil
Mark W. Mitchell(2) British Columbia, Canada	President, Reliant Capital Limited, a real estate finance company. Chairman of the Canadian Constitution Foundation, Vice-Chairman of the Fraser Institute, Trustee of The W. Garfield Weston Foundation and Trustee of the Free Market Research Foundation.	June 29, 2010	1,041,433
Sandy I. Poklar(2) (3) Toronto, Canada	Chief of Operations and Managing Director, Capital Markets & Strategic Developments of Firm Capital Corporation since June 2012. Vice President of Macquarie Capital Group from January 2010 to January 2012 and Associate of TD Securities Inc. from March 2007 to August 2009. Mr. Poklar is a Chartered Accountant.	July 12, 2012	Nil
William Pringle Alberta, Canada	Founder and Executive Chair of Bordeaux Properties Inc., a Calgary based land developer. Prior to founding Bordeaux, Mr. Pringle held senior roles with Brookfield Asset Management Group from 1987 to 2001. Mr. Pringle is a Chartered Accountant.	-	Nil
Mark Scott British Columbia, Canada	Mr. Scott is the owner of Daythan Capital Inc. which owns Canadian publishing businesses. Daythan Capital previously provided financial advisory services in relation to mid-size acquisitions.	-	Nil

Notes:

(1) Member of the Audit Committee.

(2) Member of the Corporate Governance, Compensation and Nominating Committee.

(3) Member of the Executive Committee.
(4) The information as to Common Shares beneficially owned, not being within the knowledge of the Corporation, has been provided by the directors. The information above does not include Options.

By resolution of the Board, on July 12, 2012, the Board was increased from 6 members to 8 members and Michael Brodsky and Sandy I. Poklar were appointed to the Board. Mr. Pringle and Mr. Scott currently do not serve on the Board of the Corporation.

Mr. Brodsky brings nearly 20 years of experience as an investor, manager and attorney to the Board. Mr. Brodsky has extensive experience in investment and the governance of public companies, as well as in corporate turnarounds and restructurings. Mr. Brodsky holds a Bachelor of Arts from Syracuse University, a Juris Doctor from the Northwestern University School of Law and a Masters of Business Administration from Northwestern University's J.L. Kellogg Graduate School of Management. Mr. Brodsky has served on the Board of Directors of Churchill Downs, Inc. (NASDAQ) and of Youbet.com Inc. where he was also its Chairman and Chief Executive Officer. Mr. Brodsky also serves on the Board of Directors of Selectica, Inc.

Mr. Poklar is currently the Chief Operating Officer and Managing Director, Capital Markets & Strategic Developments for Firm Capital Corporation. Prior to joining Firm Capital, Mr. Poklar was employed by Macquarie Capital Group as a Vice President in their Real Estate Investment Banking Group, TD Securities Inc. where he worked as an Associate in their Real Estate Investment Banking group and as an equity research associate analyst covering the Canadian and US real estate sectors for Canaccord Adams. Mr. Poklar is a Chartered Accountant and a graduate of the University of Toronto.

Mr. Pringle is currently the Executive Chair of Bordeaux Properties Inc. Mr. Pringle has extensive public company and senior officer experience. Prior to founding Bordeaux Properties Inc. in 2001, Mr. Pringle held senior roles over 14 years with Brookfield Asset Management Group through the operating subsidiaries of Brookfield Properties Corporation. This included senior management roles with Effinity Properties, Brookfield Homes, Brookfield Office Properties and Trilea Centres Inc. Mr. Pringle holds a Bachelor of Commerce degree from the University of Calgary and is a Chartered Accountant.

Mr. Scott is currently the owner of Daythan Capital Inc, which owns interests in publishing businesses. Mr. Scott held various positions with Scotia Capital Inc. and affiliated organizations from 1987 to 2004, including as Director in the real estate group, and was most recently the Vancouver Managing Director and Office Head. Mr. Scott was previously a Director of Asian Capital Partners, a mergers & acquisitions firm in Hong Kong. Mr. Scott holds a Bachelor of Arts in Management and Economics from the University of Guelph.

Corporate Cease Trade Orders

Other than as set forth below, none of those persons who are proposed directors of the Corporation is, or has been, within 10 years prior to the date of this Circular, a director, chief executive officer or chief financial officer of any company, including the Corporation that:

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer of the relevant company; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

Other than as set forth below, none of those persons who are proposed directors of the Corporation is, or has within 10 years prior to the date of this Circular:

(i) been a director or executive officer of any company, as applicable, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, or trustee appointed to hold its assets; or

(ii) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Mr. Brodsky was the Co-Chief Executive Officer of Federated Sports & Gaming Inc. ("**Federated Sports**") until his resignation from Federated Sports effective March 1, 2012. On February 28, 2012, Federated Sports filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Maryland. Mr. Brodsky was the Co-Chief Executive Officer of Federated Heartland, Inc. ("**Federated Heartland**") until his resignation from Federated Heartland effective March 1, 2012. On February 28, 2012, Federated Heartland filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Maryland.

Penalties or Sanctions

None of those persons who are proposed directors of the Corporation is, or have been subject to:

(i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

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

Appointment of Auditor

The management of the Corporation intends to nominate MNP LLP (formerly Meyers Norris Penny LLP), Chartered Accountants, for appointment as the auditors of the Corporation. Instruments of proxy given pursuant to the solicitation by the management of the Corporation will, on any poll, be voted as directed and, if there is no direction, in favour of the appointment of MNP LLP, Chartered Accountants, as the auditors of the Corporation to hold office until the close of the next annual general meeting of the Corporation, at a remuneration to be fixed by the directors. MNP LLP was first appointed auditor of the Corporation by resolution of the shareholders on August 19, 2009.

Other Business

Management is not aware of any other matters to come before the Meeting other than those set out in the Notice of Meeting. If other matters come before the Meeting, it is the intention of the individuals named in the form of proxy to vote the same in accordance with their best judgment in such matters.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate of any of them is or was indebted to the Corporation at any time since the beginning of the most recently completed financial year of the Corporation, nor, at any time since the beginning of the most recently completed financial year of the Corporation has any indebtedness of such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, the management of the Corporation is not aware of any material interest, direct or indirect, of any "informed person" of the Corporation, any proposed director of the Corporation or any associate or affiliate of any "informed person" or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

The Corporation has received various loans from Firm Capital Corporation ("**Firm Capital**") of 1244 Caledonia Road, Toronto, Ontario. Sandy I. Poklar is the Chief of Operations of Firm Capital and was appointed to the Board on July 12, 2012.

In July of 2011, five existing loans extended by Firm Capital, with varying maturities and capital repayment requirements were consolidated into 3 loans due in 30 months. The loans bear interest at the greater of 7.2% or prime +4.2% and have no scheduled capital repayments and the security for the loans was unchanged. During the year ended December 31, 2011, the Corporation received advances of $7.5 million from Firm Capital, made repayments of $6.9 million and paid $4.4 million of interest and fees. At December 31, 2011, the total debt outstanding and owing to Firm Capital was $53.2 million. From January 1, 2012 to the Record Date, interest of $2.2 million and principal repayments of $3.8 million were paid by the Corporation to Firm Capital in respect of these loans. As of the Record Date, the balance of these loans was $49.5 million.

For the purposes of the above, "informed person" means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation after having purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

There are potential conflicts of interest to which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation are engaged and will continue to be engaged in other business opportunities on their own behalf and on behalf of other corporations and situations may arise where such directors and officers will be in competition with the Corporation. Individuals concerned shall be governed in any conflicts or potential conflicts by applicable law and internal policies of the Corporation.

INTEREST OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

GENERAL

All matters to be brought before the Meeting require, for the passing of same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. If a majority of the Common Shares represented at the Meeting should be voted against the appointment of MNP LLP, Chartered Accountants, as the auditor of the Corporation, the Board will appoint another firm of chartered accountants based upon the recommendation of the Audit Committee, which appointment for any period subsequent to the 2012 meeting of shareholders shall be subject to approval by the shareholders at the next annual general meeting of shareholders.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is filed on SEDAR at www.sedar.com. Shareholders may contact the Corporation at (403) 265-8079 to request copies of the Corporation's financial statements and MD&A. Financial information is provided in the Corporation's comparative financial statements and MD&A for the Corporation's most recently completed financial year. All information can be found on SEDAR at www. sedar.com.

SCHEDULE A

GENESIS LAND DEVELOPMENT CORP.
(the "Corporation")

BOARD MANDATE

1. The Board of Directors (the "Board") of Genesis Land Development Corp. (the "Corporation") is responsible for:

   (a) stewardship of the Corporation;

   (b) supervising the management of the business and affairs of the Corporation; and

   (c) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making.

2. The Board has the responsibility to:

   (a) act honestly and in good faith with a view to the best interests of the Corporation;

   (b) exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances; and

   (c) direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.

3. A majority of the Board will, at all times, be independent directors as defined in then current laws applicable to the Corporation. In addition, no director shall qualify as independent unless the Board affirmatively determines that a director has no direct or indirect material relationship with the Corporation, either directly or indirectly as a partner, shareholder or officer of an organization that has a relationship with the Corporation.

4. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of the Corporation.

5. The Board is responsible to:

   (a) meet in person, or in exceptional circumstances by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board; and

   (b) hold meetings of the independent directors with or without management and non-independent directors present.

6. The Board is responsible to annually select a member of the Board, whether or not that member is independent as defined in the current laws applicable to the Corporation, to serve as Board chair, or if the Board Chair is not independent as defined in the current laws applicable to the Corporation, a lead director to:

   (a) provide leadership to the directors;

   (b) manage the affairs of the Board; and

   (c) ensure that the Board functions effectively in the fulfillment of its duties to the Corporation.

7. The Board is responsible for:

(a) establishing such committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board;

(b) appointing directors to serve as members of each committee;

(c) appointing a chair of each committee to:

(i) provide leadership to the committee;

(ii) manage the affairs of the committee; and

(iii) ensure that the committee functions effectively in fulfilling its duties to the Board and the Corporation; and

(d) regularly receiving and considering reports and recommendations of each committee, in particular:

(i) Audit Committee reports and recommendations, particularly with respect to the Corporation's annual audit; and

(ii) Corporate Governance, Nominating and Compensation Committee recommendations regarding Board assessments and Chief Executive Officer ("CEO") compensation.

8. The Board is responsible for, with the assistance of the Corporate Governance, Nominating and Compensation Committee, establishing CEO goals and objectives and evaluate CEO performance.

9. The Board is responsible to:

(a) annually review and either approve or require revisions to the mandates of the Board and each Board Committee, position descriptions, the Code of Conduct and all other policies of the Corporation (collectively the "Governance Documents");

(b) take reasonable steps to satisfy itself that each director, the CEO, and the executive officers are:

(i) performing their duties ethically;

(ii) conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents;

(iii) fostering a culture of integrity throughout the Corporation; and

(c) arrange, on the advice of the Disclosure Committee, for the Governance Documents to be publicly disclosed on the Corporation's website.

10. The Board is responsible, with the assistance of the Disclosure Committee, for:

(a) approving and implementing a Disclosure Policy and Procedures which provides for disclosure and communications practices governing the Corporation; and

(b) approving and maintaining a process for the Corporation's stakeholders to contact the independent directors directly with concerns and questions regarding the Corporation.

11. The Board is responsible for:

(a) reviewing departures from the Governance Documents;

(b) providing or denying waivers from the Governance Documents; and

(c) disclosing departures from the Governance Documents including by filing required material change reports for material departures from the Governance Documents containing:

  (i) the date of the departure;

  (ii) the parties involved;

  (iii) the reason why the Board has or has not sanctioned the departure; and

  (iv) any measures taken to address or remedy the departure.

12. The Board has the duty to:

  (a) review a strategic planning process for increasing shareholder value, annually approve a strategic plan, and regularly monitor the Corporation's performance against its strategic plan;

  (b) review capital and operating budgets to implement the strategic plan;

  (c) conduct periodic reviews of the Corporation's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan; and

  (d) evaluate management's analysis of the strategies of existing and potential competitors, market conditions and their impact, if any, on the Corporation's strategic plan.

13. The Board has the duty to:

  (a) adopt a process to identify business risks and ensure appropriate systems to manage risks; and

  (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:

    (i) disclosure controls and procedures;

    (ii) internal controls over financial reporting; and

    (iii) management information systems.

14. The Board has the duty to:

  (a) review and on the advice of the Audit Committee, approve, prior to their public dissemination:

    (i) interim and annual financial statements and notes thereto;

    (ii) managements' discussion and analysis of financial condition and results of operations;

    (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;

    (iv) forecasted financial information and forward looking statements; and

    (v) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and

  (b) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions not in the normal course of business.

15. The Board has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.

16. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.

Reviewed and adopted by the Board: March 5, 2012.