

# **REDKNEE**

**REDKNEE SOLUTIONS INC.**

**NOTICE OF  
ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MARCH 2, 2011**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**



**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
Wednesday, March 2, 2011**

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting (the “Meeting”) of holders of common shares of Redknee Solutions Inc. (the “Corporation” or the “Company”) will be held on Wednesday, March 2, 2011, at The Albany Club, 91 King Street East, Toronto, Ontario M5C 1G3 commencing at 9:30 a.m. for the following purposes:

1. to receive the Corporation’s annual report (“Annual Report”) together with the consolidated financial statements of the Corporation for the fiscal year ended September 30, 2010 together with the auditors’ report thereon;
2. to elect directors;
3. to re-appoint auditors and to authorize the directors to fix the remuneration of the auditors; and
4. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

This notice is accompanied by a form of proxy (“Form of Proxy”), the management information circular (the “Circular”) and the Corporation’s Annual Report to shareholders (“Shareholders”). The specific details of the foregoing matters to be put before the Meeting are set forth in the management information circular. The board of directors (the “Board”) of the Corporation have fixed the close of business on January 17, 2011 as the record date for the determination of the Shareholders entitled to notice of, and to vote at, the Meeting, and any adjournment thereof.

Registered shareholders who are unable to attend the meeting in person may complete, date and sign the enclosed Form of Proxy and send it in the enclosed envelope or otherwise to the attention of the Proxy Department of Computershare Investor Services Inc. at 100 University Avenue, 9th Floor, Toronto, Ontario, Canada, M5J 2Y1. To be effective, a proxy must be received not later than 10:00 am on February 28, 2011. Instead of mailing your proxy, you may choose to vote using the telephone or the Internet. To vote using the telephone, call (866) 732-8683. To vote using the Internet log on to [www.investorvote.com](http://www.investorvote.com). If you vote by telephone or the internet, do not mail back your proxy. Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the management nominees named on the reverse of your proxy.

Non-registered shareholders who receive these materials through their broker or other intermediary are requested to follow the instructions for voting provided by their broker or intermediary, which may include the completion and delivery of a voting instruction form.

DATED at Toronto, this 17<sup>th</sup> day of January 2011.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Lucas Skoczowski”*

**Lucas Skoczowski**  
Chief Executive Officer



## **REDKNEE SOLUTIONS INC.**

### **MANAGEMENT INFORMATION CIRCULAR**

In this management information circular (the “Circular”) all information provided is current as of January 17, 2011, and all dollar amounts are expressed in Canadian dollars, unless otherwise indicated.

#### **SOLICITATION OF PROXIES**

**THIS CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION, BY OR ON BEHALF OF THE MANAGEMENT OF REDKNEE SOLUTIONS INC. (“REDKNEE” OR THE “CORPORATION”), OF PROXIES TO BE USED AT THE CORPORATION’S ANNUAL GENERAL MEETING OF THE HOLDERS OF COMMON SHARES (THE “COMMON SHARES”) TO BE HELD AT THE TIME AND PLACE AND FOR THE PURPOSES SET FORTH IN THE ACCOMPANYING NOTICE OF MEETING (THE “NOTICE OF MEETING”) OR AT ANY ADJOURNMENT THEREOF.**

It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Corporation without special compensation, or by the Corporation’s transfer agent, Computershare Investor Services Inc., at nominal cost. The cost of soliciting will be borne by the Corporation.

#### **APPOINTMENT OF PROXIES**

**THE PERSONS SPECIFIED IN THE ENCLOSED FORM OF PROXY ARE AUTHORIZED REPRESENTATIVES OF THE CORPORATION. EACH SHAREHOLDER HAS THE RIGHT TO APPOINT AS PROXYHOLDER A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION) TO ATTEND, ACT AND VOTE FOR SUCH SHAREHOLDER AT THE MEETING OTHER THAN THOSE NAMED IN THE ENCLOSED FORM OF PROXY.**

A person or company whose name appears on the books and records of the Corporation as a holder of Common Shares is a registered shareholder (“Registered Shareholder”). A non-registered shareholder (“Non-registered Shareholder”) is a beneficial owner of Common Shares whose shares are registered in the name of an intermediary (such as a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates).

## **Registered Shareholders**

A Registered Shareholder can vote Common Shares owned by it at the Meeting in one of two ways – either in person at the Meeting or by proxy. A Registered Shareholder who wishes to vote in person at the Meeting should not complete or return the Form of Proxy included with this Circular. A Shareholder desiring to appoint some person other than those named in the enclosed Form of Proxy to represent such Shareholder at the meeting may do so either by inserting such person’s name in the blank space provided in the enclosed Form of Proxy and striking out the names of the two specified persons or by completing another proper Form of Proxy and, in either case, delivering the completed proxy to the Corporation, c/o Computershare Investor Services Inc., the Corporation’s Registrar and Transfer Agent, at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, by no later than 10:00 am (Toronto time) on February 28, 2011, or, in the case of any adjournment of the Meeting, by no later than 10:00 am (Toronto time) on the second business day immediately preceding any adjournment thereof. Alternatively, you may choose to vote using the telephone or the Internet by following the instructions on your Form of Proxy. Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the management nominees named on the reverse of the Form of Proxy.

## **Non-Registered Shareholders**

Non-registered Shareholders who receive these materials through their broker or other intermediary should complete and send the Form of Proxy in accordance with the instructions provided by their broker or other intermediary. To be effective, the Form of Proxy must be received by Computershare Investor Services Inc. no later than February 28, 2011 at 10:00 a.m. (Toronto time), or in the case of any adjournment of the Meeting, on the second business day immediately preceding any adjournment thereof.

The Corporation has distributed copies of the Form of Proxy, Circular and the Corporation’s Annual Report (the “Meeting Materials”) to intermediaries for distribution to Non-registered Shareholders. Unless you have waived your right to receive the Meeting Materials, intermediaries are required to deliver them to you as a Non-registered Shareholder of the Corporation and to seek your instructions on how to vote your Common Shares. Typically, a Non-registered Shareholder will be given a voting instruction form which must be completed and signed by the Non-registered Shareholder in accordance with the instructions on the form. The purpose of these procedures is to allow Non-registered Shareholders to direct the voting of those shares that they own but which are not registered in their own name.

Please note that the Corporation has limited access to the names of its Non-registered Shareholders. If you attend the Meeting, the Corporation may have no record of your shareholdings or of your entitlement to vote unless your intermediary has appointed you as proxy holder. If you are a Non-registered Shareholder and wish to attend and vote in person at the Meeting, you must insert your own name in the space provided for the appointment of proxy holder on the voting instruction form and carefully follow the instructions for return of the executed form. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the Corporation’s transfer agent, Computershare Investor Services Inc., upon arrival at the Meeting.

Proxies returned by intermediaries as “non-votes” because the intermediary has not received instructions from the Non-registered Shareholder with respect to the voting of shares will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Shares represented by intermediary “non-votes” will, however, be counted in determining whether there is a quorum.

## **REVOCATION OF PROXIES**

A Shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the Shareholder or by the Shareholder's attorney, who is authorized in writing, at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the chairman of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A Shareholder may also revoke a proxy in any other manner permitted by law.

## **VOTING OF PROXIES**

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by management of the Corporation in the enclosed Form of Proxy will be voted or withheld from voting in accordance with the instructions given on the Form of Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment or other matter to come before the Meeting. However, if any amendments to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Corporation in the enclosed Form of Proxy will be voted on such matters pursuant to such discretionary authority.

## **VOTING OF SHARES**

### **Voting Shares**

As at January 17, 2011 the Corporation had 64,143,604 Common Shares outstanding, each carrying the right to one vote per share. Except as otherwise noted in this Circular, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of any matter submitted to a vote.

### **Record Date**

The Board has fixed January 17, 2011 as the record date (the "Record Date") for the purpose of determining holders of Common Shares entitled to receive notice of, and to vote at, the Meeting. Any holder of Common Shares of record at the close of business on the Record Date is entitled to vote the Common Shares registered in such Shareholder's name at that date on each matter to be acted upon at the Meeting.

## **Principal Shareholders**

To the knowledge of the directors and executive officers of the Corporation, as at January 17, 2011 no person beneficially owns, directly or indirectly, or controls or directs voting securities carrying 10% or more of the voting rights attached to the outstanding Common Shares of the Corporation except as stated below.

<b>Name</b>	<b>Number of Shares Beneficially Owned or Controlled or Directed</b>	<b>Percentage of Outstanding Common Shares</b>
Lucas Skoczowski	9,191,011	14.33%

### **INTEREST IN MATTERS TO BE ACTED UPON**

The Corporation is not aware of any material interest of any director or nominee for director, or executive officer or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors.

### **MATTERS TO BE ACTED UPON AT MEETING**

#### **1. Presentation of Annual Report for Fiscal 2010**

A copy of the Corporation's Annual Report for the year ended September 30, 2010 which includes the Corporation's consolidated financial statements for the year then ended, the report of the auditors thereon, and management's discussion and analysis, is being distributed concurrently with this Circular.

#### **2. Election of Directors**

The number of directors to be elected at the Meeting is six (6). Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed Form of Proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name.**

Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed Form of Proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person's associates or affiliates as at January 17, 2011. The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective proposed nominees individually.

Nominee Name and Place of Residence	Principal Occupation	Became Director	Common Shares	Options
Stephen Davies <sup>(2)(3)</sup> Hemel Hempstead Herts, England, UK	Independent Corporate Director	January 9, 2007	183,730	20,000
Alan Michels <sup>(1)(3)</sup> Scottsdale, Arizona	Independent Corporate Director	December 10, 2008	125,000	20,000
Terry Nickerson <sup>(1)</sup> Mississauga, Ontario	Independent Corporate Director	October 5, 2010	-	-
John Phillips <sup>(1)(2)</sup> Toronto, Ontario	Independence Corporate Director	November 1, 2006	1,568,418	216,874
Kent Thexton, Chairman <sup>(1)(2)(3)</sup> Vancouver, British Columbia	Independent Corporate Director	November 1, 2006	1,267,285	182,500

<sup>(1)</sup> Member of Audit Committee.

<sup>(2)</sup> Member of Compensation Committee.

<sup>(3)</sup> Member of Nomination and Governance Committee.

## **NOMINEES FOR ELECTION TO BOARD OF DIRECTORS**

**STEPHEN DAVIES** – Mr. Davies joined the Board in January 2007. Mr. Davies has worked in the internet and telecom industry for over 30 years. Prior to joining Redknee's Board, Mr. Davies served as a director of O2 Group plc. Mr. Davies is currently Chairman of The Practice Plc, a UK primary healthcare company.

**ALAN MICHELS** – Mr. Michels joined Redknee's Board in December 2008. Previously, Mr. Michels served as President of Kenan Systems Inc., President and CEO of Telewest Communications, Plc. and as Chief Financial Officer in the telecom and software industries.

**TERRY NICKERSON** – Mr. Nickerson joined Redknee's Board in October 2010. Prior to joining Redknee's Board, Mr. Nickerson held several senior financial positions at ATI Technologies, Inc., Northern Telecom Ltd., IBM Canada and the Molson Companies. Mr. Nickerson is currently a director of Miranda Technologies Inc.

**JOHN PHILLIPS** – Mr. Phillips joined Redknee's Board in November 2006, having served on the Board of Redknee Inc. since 2002. Prior to Redknee, Mr. Phillips worked at Clearnet Communications Inc. (now TELUS Mobility, the wireless business unit of TELUS Corporation) as part of the executive management team. Mr. Phillips served as chairman of the Canadian Wireless Telecommunications Association during 1998 and 1999 and continues to serve as a director of various other companies.

**LUCAS SKOCZKOWSKI** – Mr. Skoczowski is Chief Executive Officer of the Corporation and has been a director of the Corporation since November 2006. Prior to being appointed Chief Executive Officer of the Corporation in August 2004, Mr. Skoczowski was Chief Operating Officer of the Corporation and its predecessor Redknee Inc. from July, 1999 to August 2004. Prior to Redknee, Mr. Skoczowski worked at Nortel Networks and Clearnet in various areas of Product Management. Mr. Skoczowski serves on Redknee’s Board .

**KENT THEXTON** – Mr. Thexton joined the Board of the Corporation in 2006, having served on the Board of the Corporation’s predecessor Redknee Inc. since 2004. Mr. Thexton is also Chairman of i-wireless, and on the boards of Sierra Wireless (which is listed on the NASDAQ and Toronto Stock Exchanges). Previously, Mr. Thexton was the Chief Data and Marketing Officer for O2 Group plc and a member of the O2 Company plc Board of Directors.

Messrs. Davies, Michels, Nickerson, Phillips and Thexton are independent directors.

### 3. Appointment of Auditors

PricewaterhouseCoopers LLP are the current auditors of the Corporation. PricewaterhouseCoopers LLP were first appointed as interim auditors of the Corporation by the Board on September 11, 2007. At the Meeting, the holders of Common Shares will be requested to re-appoint PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next annual meeting of Shareholders or until a successor is appointed, and to authorize the Board of Directors to fix the auditors’ remuneration.

The following table sets out the approximate fees the Corporation incurred in using the services of PricewaterhouseCoopers LLP, during the two (2) preceding fiscal years is as follows:

Audit Fees	Fiscal 2010	Fiscal 2009
	(\$)	(\$)
Audit and Audit-Related Fees <sup>(1)</sup>	\$434,190	666,560
Tax Fees <sup>(2)</sup>	\$195,427	58,400
All Other Fees <sup>(3)</sup>	\$ 76,929	49,500
<b>Total:</b>	<b>\$706,547</b>	<b>\$774,460</b>

<sup>(1)</sup> “Audit Fees and Audit Related Fees” relate to audit services completed for the year ended September 30, 2010.

<sup>(2)</sup> “Tax Fees” relate to fees for tax preparation of all legal entities.

<sup>(3)</sup> “Other Fees” in fiscal 2010 related to fees for consulting on tax and entity matters.

**In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed Form of Proxy intend to vote FOR the re-appointment of PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board of Directors to fix the remuneration of the auditors.**

### 4. Other Matters

The Corporation knows of no other matters to be brought before the Meeting. If any amendment, variation or other business is properly brought before the Meeting, the enclosed Form of Proxy and voting instruction confers discretion on the persons named on the Form of Proxy to vote on such matters in accordance with their best judgment.



## **STATEMENT OF EXECUTIVE COMPENSATION**

The Corporation's executive compensation policies and practices, including information about the compensation of the CEO, the CFO and the two other most highly compensated officers of the Corporation, who were serving as executive officers of the Corporation on September 30, 2010 (collectively, the "Named Executive Officers" or "NEOs") are discussed in this section.

### **Compensation Discussion and Analysis**

#### *Compensation Philosophy and Policy*

The Compensation Committee of the Board is responsible for annually reviewing the Corporation's compensation philosophy and policy that rewards the creation of shareholder value and reflects an appropriate balance between short and long-term performance. The compensation philosophy of the Corporation is based on the following two principles: reward performance and market competitive pay. This philosophy is applied across the Corporation, including the Executive Officers.

#### *Role of the Compensation Committee*

The Compensation Committee of the Board is responsible for: setting the compensation levels of the Executive Officers based on recommendations of the CEO, and recommending the compensation level for the CEO to independent members of the Board; reviewing and advising on stock option guidelines; and reviewing and communicating to the Board the compensation policy and principles that will be applied to the executives of the Corporation including, the CEO, CFO, and the Named Executive Officers in support of the achievement of the Corporation's business strategy.

## Elements of Executive Compensation

All employees of the Corporation receive compensation based on market value for the type of role they perform. Additional consideration is given to internal pay equity and performance. The compensation payable to the Corporations' employees consists of three main elements: base salary, short term incentives, and long-term equity-based incentives in the form of options and share unit awards. The following table summarizes the purpose of each element.

Element of Compensation	Summary and Purpose of Element
Base Salary	Base salaries are established by taking into account individual performance and experience, level of responsibility and competitive pay practices. Base salaries are periodically reviewed and adjusted appropriately to reflect individual performance and market changes.
Short Term Incentives	The Corporation's annual performance plans are intended to focus and reward executives on the achievement of current year financial targets, key Corporation and/or group objectives and some individual performance objectives. Financial thresholds are approved by the Board at the commencement of the fiscal year and are required to be met for payments to be made according to plan criteria.
Long Term Incentives	Our equity-based compensation plans were established to provide long-term incentives to attract, motivate and retain certain key employees, officers and service providers with the knowledge, experience and expertise required by the Corporation ("Eligible Individuals"), as well as promote further alignment of interests between Eligible Individuals and Shareholders of the Corporation.

### *Base Salary*

Base salary recommendations are determined based on market data for positions of similar responsibilities and complexity, on internal comparisons and on the individual's ability, experience and contribution level. Base salaries are considered also in the full balanced context of the accompanying Short Term Incentives and Long Term Incentives. Base salaries for each NEO are established in employment agreements with the Corporation and are reviewed as required so as to take into consideration market pressures.

## Short Term Incentives

All permanent full time executives and certain employees have the opportunity to earn an annual performance bonus reflective of their position. All executives and eligible employees have specific goals based on factors such as individual performance and corporate performance relating to revenue, profitability, cash on hand and customer satisfaction. The corporate targets are established by the CEO and CFO on an annual basis for review by the Compensation Committee of the Board, and if approved, are recommended for approval by the Board. For fiscal year 2010, the CEO's performance bonus was entirely based on factors related to corporate performance. Seventy-five (75%) of the CFO's and other NEOs' short term incentives were based on factors related to corporate performance, with twenty-five (25%) based on factors related to individual performance.

## *Long Term Incentives*

### Stock Options

Options to purchase Common Shares are granted to the NEOs and other key employees to sustain commitment to long-term profitability and to maximize shareholder value over the long term. The vesting of these Options is spread evenly over four (4) years in the case of the CEO, the CFO and the NEOs in order to achieve this long term objective. Under the terms and conditions of the Stock Option Plan, participants are granted options which, once vested, are exercisable for periods of time determined by the Board, based on the recommendations of the Compensation Committee. In December 2010, the Board, based on a recommendation by the Compensation Committee reduced the expiry date for newly-issued stock options from ten (10) years to seven (7) years following the date of grant at an exercise price equal to the closing market price of the Common Shares on the TSX on the date of the grant or four (4) clear trading days after grant if the grant is made in conjunction with the release of interim or fiscal financial results. Stock options are granted to NEOs from time to time based on factors including individual performance and contribution level.

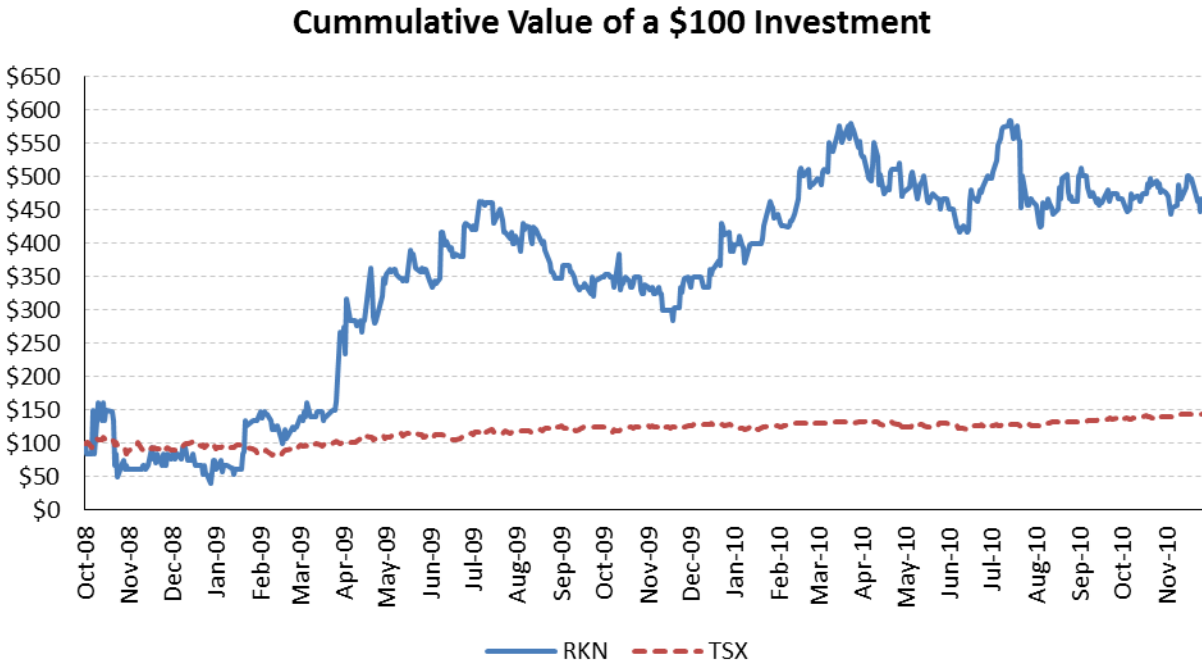
When determining whether and how many new options are to be granted, the Compensation Committee of the Board will consider a number of factors including salary, position and level of responsibility within the Corporation and the amount and terms of the outstanding options.

### *Share Units*

In July 2010, the Board, based on the recommendation of the Compensation Committee, introduced a share unit plan ("Share Unit Plan") which enables Eligible Individuals to receive the right to receive a share or the market value of one share, that generally becomes vested after a period of continuous employment and/or is subject to financial and/or personal performance criterion as may be determined by the Compensation Committee or the Board from time to time.

## Performance Graph

The following graph shows the total cumulative return from the time that the Corporation became a reporting issuer (October 22, 2008) to November 30, 2010 on an investment of \$100, compared to the S&P/TSX Composite Total Return Index.



Redknee became a reporting issuer when its shares were listed on the TSX on October 22, 2008. The Named Executive Officers' compensation plan is not based on the Corporation's stock price performance, and therefore the Named Executive Officers' compensation may not directly compare to the trend shown above.

## Summary compensation table

The following table sets forth information regarding compensation earned by the Corporation's Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), and each of the two other executive officers who had the highest aggregate compensation, for the year ended September 30, 2010 (collectively, the "Named Executive Officers"):

Name and Principal Position	Year	Salary <sup>(1)</sup> \$	Share-based awards \$	Option-based awards <sup>(2)</sup> \$	Non-equity incentive plan compensation \$		All other compensation \$	Total compensation \$
					Annual incentive plans	Long-term incentive plans		
Lucas Skoczkowski Chief Executive Officer	2010	275,000	-	-	-	-	2,612 <sup>(3)</sup>	277,612
	2009	275,000	-	154,000	132,000	-	2,612 <sup>(3)</sup>	563,612
David Charron <sup>(5)</sup> Chief Financial Officer	2010	225,000	-	-	-	-	-	225,000
	2009	213,889	-	308,000	48,425	-	-	570,314
Vishal Kothari Vice-President Global Sales & Marketing	2010	200,000	-	-	-	-	-	200,000
	2009	200,000	-	77,000	90,619	-	-	367,619
Michael Bryce Vice-President Global Operations	2010	220,000	-	-	-	-	50,000 <sup>(4)</sup>	270,000
	2009	220,000	-	77,000	52,800	-	100,000 <sup>(4)</sup>	449,800

<sup>(1)</sup> The salary and non-equity incentive plan compensation is paid in Canadian dollars.

<sup>(2)</sup> Amounts set forth in this column for fiscal year 2009 represent the amount recognized as the accounting share-based payment expense in our consolidated financial statements for fiscal 2009 and do not reflect whether the Named Executive Officer has actually realized a financial benefit from the exercise of the awards. The grant date fair value of a stock option is determined using the Black-Scholes model. This model is used as it is the model used to value stock options for the purposes of the Corporation's consolidated financial statements. In determining the grant date fair value of options granted on March 13, 2009, assumptions and estimates used included a 70.1% volatility factor, 2.44% risk-free rate and 10-year expected life. Additional details on key assumptions and estimates used for financial statement purposes are discussed at Note 9 "Stock Option Plan" to our Consolidated Financial Statements for fiscal 2009.

<sup>(3)</sup> Represents a tenure award bonus under the Corporation's Stock Option Loan Program which was established in November 2006, and retired in fiscal 2009. Under the Program, the Corporation enabled its employees and executive officers to exercise their vested options and acquire Class B common shares in Redknee Inc. (which shares subsequently converted to common shares of the Corporation). Employees and executives were eligible for a cash tenure-award bonus annually for a period of three years equal to 10% of the outstanding loan amount provided they remain an employee of the Corporation as of the anniversary date of the original loan.

<sup>(4)</sup> Represents payments made in the relevant year as provided for in Mr. Bryce's contract of employment in respect of entitlements that he would have otherwise received from his former employment.

<sup>(5)</sup> During a portion of fiscal year 2009, David Charron acted as interim CFO and was formally appointed on August 1, 2009.

## Outstanding share-based awards and option-based awards

The following table (presented in accordance with Form 51-102F6) sets forth for each Named Executive Officer all awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested <sup>(2)</sup> (#)	Market or payout value of share-based awards that have not vested (\$)
Lucas Skoczkowski Chief Executive Officer	550,000	0.36	13 Mar 19	577,500	156,250	\$ 193,750
David Charron Chief Financial Officer	75,000	0.95	11 Sep 17	34,500	-	-
	50,000	0.36	13 Mar 19	52,500	-	-
	300,000	1.25	14 Aug 19	48,000	-	-
Vishal Kothari Vice-President Global Sales & Marketing	275,000	0.36	13 Mar 19	288,750	-	-
Michael Bryce Vice-President Global Operations	200,000	0.70	10 Jan 18	71,000	-	-
	100,000	0.66	24 Jun 18	75,000	-	-
	275,000	0.36	13 Mar 19	288,750	-	-

<sup>(1)</sup> The value of unexercised in-the-money options has been calculated using the difference between the closing price of the Corporation's Common Shares on the TSX as at September 30, 2010 (Cdn. \$1.41) and the option exercise price. Where the value is \$0, the exercise price is higher than Cdn. \$1.41. No adjustment has been made for options that have not yet vested and are therefore not yet exercisable.

<sup>(2)</sup> All share-based awards are in the form of RSUs vested from November 10, 2006.

## Incentive plan awards - value vested or earned during the year

The following table (presented in accordance with Form 51-102F6) sets forth details of the value vested or earned during the most recently completed financial year for each incentive plan award:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Lucas Skoczkowski Chief Executive Officer	156,750	193,750	-
David Charron Chief Financial Officer	43,125	-	-
Vishal Kothari Vice-President Global Sales & Marketing	78,375	-	-
Michael Bryce Vice-President Global Operations	115,125	-	-

## **Employment Contracts for Named Executive Officers**

The Corporation has entered into employment agreements with each of the Named Executive Officers, the material terms of which are summarized below.

**Lucas Skoczkowski** is employed as the Chief Executive Officer pursuant to the terms of a service agreement with Redknee dated October 1, 2006 and amended on October 1, 2010. The agreement can be terminated by Redknee at any time for cause or by Mr. Skoczkowski upon 12 months' notice. If Mr. Skoczkowski's employment is terminated by Redknee without cause at any time, then Mr. Skoczkowski is entitled to all outstanding and accrued salary, performance incentive pay, vacation pay, and 24 months of current salary plus a performance incentive pay equal to 100 percent of his base salary for this period, continuation of benefit coverage for 24 months or a payment of an amount equal to such coverage, and the immediate vesting of 100 percent of his unvested restricted shares. If Mr. Skoczkowski's employment is terminated without cause within 12 months after the occurrence of a change in control of Redknee, then Mr. Skoczkowski is entitled to all outstanding and accrued salary, performance incentive pay, and vacation pay, and 24 months of current base salary plus a performance incentive pay equal to 24 months' base salary, continuation of benefit coverage for 24 months, or a payment of an amount equal to such coverage, and immediate vesting of 100 percent of his unvested restricted shares. Mr. Skoczkowski is subject to certain non-competition and non-solicitation covenants for a period of 12 months following the termination of his employment. Mr. Skoczkowski is paid a base salary of \$275,000 and is eligible to receive an annual performance incentive pay for achieving financial objectives as determined and set by the Board. Effective October 1, 2010, Mr. Skoczkowski is paid a base salary of \$395,000 and is eligible to receive an annual performance incentive of 60% for achieving financial objectives as determined and set by the Board.

**David Charron** is employed as the Chief Financial Officer pursuant to the terms of a service agreement with Redknee dated August 1, 2009. The agreement can be terminated by Redknee at any time for cause or by Mr. Charron upon 3 months' notice. If Mr. Charron's employment is terminated by Redknee without cause at any time, then Mr. Charron is entitled to all outstanding and accrued salary and vacation pay, a performance incentive pay amount equal to 50 percent of the total base salary paid or earned for the current fiscal year up to the last day of active employment, 6 months of current salary, an amount in respect of performance incentive pay of 50 percent of 6 months' salary, continuation of benefit coverage for 6 months or a payment of an amount equal to such coverage, and the immediate vesting of those of his unvested options due to vest within 6 months, exercisable for up to 42 months or the date of expiry of the options, whichever is earlier. If Mr. Charron's employment is terminated without cause or Mr. Charron resigns, in either case within 12 months after the occurrence of a change in control of Redknee, then Mr. Charron is entitled to all outstanding and accrued salary and vacation pay, a performance incentive pay amount equal to 50 percent of the total base salary paid or earned for the current fiscal year up to the last day of active employment, 12 months of current salary, an amount in respect of performance bonus of 50 percent of 12 months' salary, continuation of benefit coverage for 12 months or a payment of an amount equal to such coverage, and only in the event that Mr. Charron is terminated without cause within the first 6 months, the immediate vesting of 25 percent of his unvested options. Mr. Charron is subject to certain non-competition and non-solicitation covenants for a period of 6 months following the termination of his employment. Mr. Charron is paid a base salary of \$225,000 and is eligible to receive an annual performance incentive pay for achieving financial objectives as determined and set by the CEO.

**Michael Bryce** is employed as the Vice President, Global Operations pursuant to the terms of a service agreement with Redknee dated July 20, 2007. The agreement can be terminated by Redknee at any time for cause or by Mr. Bryce upon 2 months' notice. If Mr. Bryce's employment is terminated by Redknee without cause at any time, then Mr. Bryce is entitled to all outstanding and accrued salary, and vacation pay, a lump sum payment of \$220,000, and continuation of benefit coverage for 6 months. Mr. Bryce is subject to certain non-competition and non-solicitation covenants for a period of 4 months and 12 months respectively following the termination of his employment. Mr. Bryce is paid a base salary of \$220,000 and is eligible to receive an annual performance incentive pay for achieving financial objectives as determined and set by the CEO. Under the terms of his service agreement, Mr. Bryce was entitled to payments up to an aggregate of \$300,000 (all of which have been paid as at December 15, 2009). These payments were payable pursuant to a fixed schedule and were made in respect of entitlements that he would have otherwise received from his former employment.

**Vishal Kothari** is employed as the Vice President, Global Sales & Marketing pursuant to the terms of a service agreement with Redknee dated November 14, 2006. The agreement can be terminated by Redknee at any time for cause or by Mr. Kothari upon 2 months' notice. If Mr. Kothari's employment is terminated by Redknee without cause at any time, then Mr. Kothari is entitled to all outstanding and accrued salary, performance incentive pay, and vacation pay, 12 months of current salary, an amount in respect of his performance incentive pay equal to 100 percent of base salary, continuation of benefit coverage for 12 months or a payment of an amount equal to such coverage, and the immediate vesting of 25 percent of his unvested options (not including the March 13, 2009 option grant to executives, which has been specifically excluded from any accelerated vesting rights under applicable contracts of employment arising from termination or change of control related to a going private transaction), exercisable for up to 5 years or the date of expiry of the options, whichever is earlier. If Mr. Kothari's employment is terminated without cause or Mr. Kothari resigns, in either case within 12 months after the occurrence of a change in control of Redknee, then Mr. Kothari is entitled to all outstanding and accrued salary, performance bonus, and vacation pay, 18 months of current salary plus a performance incentive pay equal to 100 percent of 18 months' base salary, continuation of benefit coverage for 12 months, or a payment of an amount equal to such coverage, and only if Mr. Kothari is terminated without cause within the first 6 months, the immediate vesting of 25 percent of his options and all then vested options are exercisable for up to 5 years or the date of expiry of the options, whichever is earlier. Mr. Kothari is subject to certain non-competition and non-solicitation covenants for a period of 12 months following the termination of his employment. Mr. Kothari is paid a base salary of \$200,000 and is eligible to receive an annual performance incentive pay for achieving financial objectives as determined and set by the CEO.

For all Named Executive Officers, upon termination of employment any unvested options terminate in accordance with the Stock Option Plan.



## **DIRECTOR COMPENSATION**

### Elements of Director Compensation

Directors' compensation is paid only to non-management Directors. For the year ended September 30, 2010, compensation to non-management Directors, was composed of the following: (a) annual board retainers ("Annual Board Retainer"), and (b) annual retainers for committee chairpersons.

#### ***Fees Earned***

Each non-management Director is paid an Annual Board Retainer of \$40,000, which amount is paid quarterly in arrears.

Non-management Directors are also entitled to an annual retainer for each of the committees of the Board on which he or she serves as a Chairperson. In fiscal 2010, the Chairman of the Board was paid a retainer of \$20,000.00, the Chairman of the Audit Committee was paid a retainer of \$10,000, the Chairman of the Compensation Committee was paid a retainer of \$5,000 and the Chairman of the Nomination and Governance Committee was paid a retainer of \$5,000. All such retainers are paid quarterly in arrears.

#### ***Equity-Based Compensation for Directors***

##### ***Deferred Share Units***

On August 11, 2010, the Corporation established a deferred share unit plan (the "DSU Plan") to promote a greater alignment of long-term interests between eligible directors and shareholders of the Company and to provide a compensation system for eligible directors that, together with the other director compensation mechanisms of the Corporation, is reflective of the responsibility, commitment and risk accompanying a Board member's membership and the performance of the duties required of the various committees of the Board. An eligible director may elect to receive his or her annual cash remuneration in the form of deferred share units ("DSUs"), cash or any combination thereof.

In addition to the DSUs granted, the Board may award such number of DSUs to an eligible director as the Board deems advisable to provide the eligible director with appropriate equity-based compensation for the services he or she renders to the Corporation. The Board will determine the date on which such DSUs may be granted and the date as of which such DSUs will be credited to a participant's DSU account, together with any terms or conditions with respect to the vesting of such DSUs.

An eligible director, or the beneficiary of an eligible director, as the case may be, who redeems DSUs hereunder will be entitled to receive a cash payment in an amount equal to the fair value of the DSUs that are being redeemed as of the entitlement date applicable to such DSUs, net of any applicable withholding taxes and other required source deductions.

In August 2010, the Board, based on a recommendation of the Compensation Committee, awarded all non-management directors an annual DSU allocation of \$15,000 for each of 2009 and 2010 and determined that directors were no longer eligible to participate in the Corporation's Stock Option Plan or Restricted Share Unit Plan. In future, annual DSU awards are to be made following the Annual General Meeting of Shareholders.

***Out of Pocket Expenses***

Non-management Directors are also reimbursed for expenses incurred by them in their capacity as directors.

**Director Compensation Table for Fiscal Year Ended September 30, 2010**

The following table sets forth compensation earned by the directors of the Corporation (other than Lucas Skockowski, who is not separately compensated for his service as director and whose compensation is reflected in the "Summary compensation table" under "Statement of Executive Compensation" on page 10) for the fiscal year ended September 30, 2010:

<b>Name</b>	<b>Fees Earned or Paid in Cash</b>	<b>Share-Based Awards</b>	<b>All other compensation</b>	<b>Total</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
Stephen Davies <sup>(1)</sup>	40,605	-	-	40,605
Alan Michels <sup>(2)</sup>	40,162	-	-	40,162
John Phillips	45,000	-	-	45,000
Kent Thexton	60,000	-	-	60,000

<sup>(1)</sup> Stephen Davies fees are converted using a rate of 1.6242= 1 GBP.

<sup>(2)</sup> Alan Michels fees are converted using a rate of 1.071021= 1 USD.

## Outstanding share-based awards and option-based awards for Directors as at September 30, 2010

The following table sets forth all unexercised options outstanding as of September 30, 2010 for each director of the Corporation (other than Lucas Skockowski, who is not separately compensated for his service as director and whose unexercised options are reflected in the table entitled “Outstanding share-based awards and option-based awards as at September 30, 2010” under “Statement of Executive Compensation” on page 10).

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Stephen Davies	20,000	0.66	30 Jun 18	15,000	21,898	30,876
Alan Michels	20,000	0.23	10 Dec 18	23,600	21,898	30,876
John Phillips	56,250	1.21	11 Jun 13	11,250	21,898	30,876
	28,125	1.21	11 Jun 13	5,625	-	-
	42,187	1.21	1 Jan 14	8,437	-	-
	14,062	1.21	10 Mar 14	2,812	-	-
	9,375	1.21	11 Jun 14	1,875	-	-
	46,875	1.21	16 May 15	9,375	-	-
Kent Thexton	20,000	0.66	30 Jun 18	15,000	-	-
	125,000	1.21	5 Feb 14	25,000	21,898	30,876
	37,500	1.21	16 May 15	7,500	-	-
	20,000	0.66	30 Jun 18	15,000	-	-

<sup>(1)</sup> The value of unexercised in the money options has been calculated using the difference between the closing price of the Corporation’s Common Shares on the TSX as at September 30, 2010 (Cdn. \$1.41) and the option exercise price. Where the value is \$0, the exercise price is higher than Cdn. \$1.41. No adjustment has been made for options that have not yet vested and are therefore not yet exercisable. Director options vest immediately.

<sup>(2)</sup> All share-based awards are in the form of DSUs vested from August 11, 2010.

## Incentive Plan Awards - Value Vested or Earned During the Year

The following table (presented in accordance with Form 51-102F6) sets forth details of the value vested or earned during the most recently completed financial year for each incentive plan award:

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Stephen Davies	-	30,000	-
Alan Michels	-	30,000	-
John Phillips	-	30,000	-
Kent Thexton	-	30,000	-

<sup>(1)</sup> The total value of stock options that vested in fiscal 2010. The value is equal to the difference between the exercise price of the option and the closing price of the Common Shares reported on the vesting date. Director options vest immediately.

## EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth certain information with respect to the Stock Option Plan and obligations assumed on behalf of the Corporation's predecessor company as at September 30, 2010.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercised price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
<i>Equity Compensation plans approved by securityholders</i>	3,608,116 <sup>(1)</sup> 2,432,250 <sup>(2)</sup>	1.14 0.67	- 2,817,750
<i>Equity Compensation plans not approved by securityholders</i>	-	-	-
<b>TOTAL</b>	6,040,366	0.95	2,817,750

<sup>(1)</sup> Options outstanding under the predecessor company's Stock Option Plan dated January 9, 2007.

<sup>(2)</sup> Options outstanding under the Corporation's Stock Option Plan dated October 16, 2008. (

### Stock Option Plan

The Corporation adopted the Stock Option Plan to provide long-term incentives to attract, motivate and retain its employees, directors, officers and service providers. Prior to becoming a reporting issuer, Redknee assumed responsibility for the stock option plan in place at one of its predecessor companies, the remaining outstanding options for which are outlined in the *Equity Compensation Plan Information* table shown above. No more options are issuable under that plan. The following is a description of certain provisions of the Stock Option Plan that is currently in place and active for the Corporation.

#### (a) *Eligibility*

Under the Stock Option Plan, the Corporation may grant options to (i) any of its or its affiliates' (as defined in the *Securities Act* (Ontario) (OSA)) directors, officers or employees, or any service provider (an "Eligible Individual"), or (ii) a corporation controlled by an Eligible Individual, the issued and outstanding voting shares of which are, and will continue to be, beneficially owned by such Eligible Individual and/or the spouse, children and/or grandchildren of such Eligible Individual.

#### (b) *Grant of Options, Exercise Price and Vesting*

The maximum number of Common Shares that may be issued by the Corporation pursuant to options granted and outstanding under the Stock Option Plan is 5,250,000 which represents approximately 8.2% of the total and issued and outstanding Common Shares. Of these, 2,432,250 options granted remain unexercised. When granting options, the Corporation will designate the maximum number of the Corporation's Common Shares that may be purchased under the options, taking into account the amount and terms of outstanding options and shares to establish the exercise price of the options, designate the conditions under which the options will vest, determine the expiry date for exercise of the options (which shall be no later than 7 years after the date the options are granted), and with respect to options granted to US residents or citizens, whether the option is intended to constitute an incentive stock option. Stock options grants vest in increments of 25% per year over four years and expire after seven 7 years.

Effective December 1, 2010, all future stock option grants expire after seven (7) years. Previously issued grants expired after 10 years.

The exercise prices for options shall not be less than the fair market value of the Common Shares on the date the options are granted, which so long as the Corporation's Common Shares are traded on a stock exchange, is defined to be the closing price for the Common Shares on the day immediately prior to such date on the stock exchange on which the highest aggregate volume of Common Shares have traded on such date. However, it is the Board's policy that if such options are granted in conjunction with the release of interim or fiscal financial results, the exercise price for such options shall not be less than the fair market value of the Common Shares determined at the close of the fourth (4<sup>th</sup>) clear trading day following disclosure of such results.

Upon termination of employment, unless provided by written agreement with the Company, any options not vested shall terminate immediately. For vested options, an individual has thirty (30) days to exercise such options unless terminated for cause.

(c) *Amendments*

The following types of amendments to the Stock Option Plan require shareholder approval:

1. any increase in the maximum number of Common shares in respect of which may be granted as options under the Stock Option Plan;
2. any amendment that would reduce the exercise price, including a cancellation of an option and re-grant of an Option in conjunction therewith, at which options may be granted below the minimum price currently provided for in the Corporation's Stock Option Plan;
3. any amendment that would increase the limits on the total number of Common shares issuable to any one individual under the Stock Option Plan or to any one insider and the insider's associates;
4. any amendment that would increase the limits on the total number of Common shares reserved for issuance pursuant to options granted to insiders of the Corporation for issuance to insiders within a one year period;
5. any amendment that would increase the maximum term of an option granted under the Stock Option Plan;
6. any amendment that would extend the expiry date of any outstanding option, except in the case of termination of an employee of the Corporation or any of its affiliates in which case no option shall be extended beyond the exercise date specified at the time of grant;
7. any amendment that would reduce the exercise price of an outstanding option (other than as may result from adjustments contemplated by the Stock Option Plan);
8. any amendment that would permit assignments to persons not currently permitted under the Plan;
9. any amendment to the definition of "Participant" or any amendment that would expand the scope of those persons eligible to participate in the Stock Option Plan; and
10. any amendment to the types of amendments requiring shareholder approval, other than as permitted under the rules of the TSX.

Any amendments to the Stock Option Plan, other than those listed above, may be made by the Board of Directors of the Corporation without shareholder's approval.

### **Restricted Share Plan**

The Corporation adopted a restricted share plan on November 10, 2006. Under the restricted share plan, eligible employees and directors could receive restricted shares. The only grants under the restricted share plan occurred in 2006. The restricted shares granted at that time had a four year vesting schedule, and all shares issuable under the restricted share plan have been so issued. Effective December 2010, the restricted share plan has been terminated and the associated trust dissolved.

### **Restricted and Performance Share Unit Plan**

The Corporation adopted a restricted share unit plan (the "RSU Plan") effective August 11, 2010 in connection with its acquisition of Nimbus Systems S.L. On December 1, 2010, the Corporation extended eligibility to participate in the plan to all full-time employees. Pursuant to the RSU Plan all Redknee employees are eligible to receive restricted share units ("RSUs") in respect of services rendered in a fiscal year. A participant is entitled to receive a payout in respect of each vested RSU, with each RSU having a value equal to the market price of the Common Shares, which under the RSU Plan is equal to the volume weighted-average closing price of the Common Shares in the period of five trading days preceding the date of the payout. Vesting terms and conditions for the RSUs are set out in a separate grant agreement and may be based on fulfilling a defined period of continuous employment or the attainment of performance vesting conditions, provided that vesting period shall not be later than December 15th of the third calendar year following the end of the calendar year in which services to which the grant of RSUs relates were rendered. Vested RSUs shall be settled by the Corporation upon, or as soon as reasonably practicable following, the vesting of the RSUs. No Common Shares are issuable pursuant to the RSU Plan. The Corporation may amend the RSU Plan as it deems necessary or appropriate, but no such amendment may adversely affect the rights of a participant in RSUs granted prior to the date of amendment without the consent of the participant.

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

No director, executive officer, former director, or former executive officer of the Corporation, or any associate of any such person, was indebted to the Corporation or its subsidiary at any as at the date of this Circular.

## **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Corporation maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of \$15,000,000 subject to a \$100,000 deductible/loss payable by the Corporation for securities claims and a \$50,000 deductible/loss payable for all other claims, such deductibles/loss payables payable by the Corporation. The premium paid by the Corporation for this coverage was \$121,684 for the year ended September 30, 2010.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

### **Corporate Governance**

The Board of Directors (the "Board") of the Corporation has developed and adopted this Statement of Corporate Governance Practices in accordance with the corporate governance guidelines set forth in National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"), National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") and the Toronto Stock Exchange requirements. The Corporation's corporate governance practices are comprised of a number of policies and resolutions adopted by the Board from time to time. These policies include the charter for the Board (the "Board Charter") (see Schedule "A" attached), the charter for each of the committees of the Board (the "Board Committees"), the code of conduct and business ethics (the "Code of Conduct and Business Ethics"), the insider trading policy (the "Insider Trading Policy"), the disclosure policy (the "Disclosure Policy") and the whistleblower policy (the "Whistleblower Policy").

National Instrument 58-101 mandates disclosure of corporate governance practices and this disclosure is set out as follows:

Board of Directors

### ***Composition of the Board***

The Board currently comprises six directors, five of six (or 83%) of whom are independent within the meaning of NI 58-101.

The table below sets forth each current Director's membership on the Board Committees:

	<b>Audit Committee</b>	<b>Compensation Committee</b>	<b>Nomination and Governance Committee</b>
Mr. Stephen Davies		<b>X</b>	<b>Chair</b>
Mr. Alan Michels	<b>X</b>		<b>X</b>
Mr. Terry Nickerson	<b>Chair</b>		
Mr. John Philipps	<b>X</b>	<b>Chair</b>	
Mr. Kent Thexton	<b>X</b>	<b>X</b>	<b>X</b>

### ***Chairman of the Board***

Pursuant to our Board Charter and our corporate governance guidelines (the "Corporate Governance Guidelines"), our Chairman, Mr. Kent Thexton is independent within the meaning of NI 58-201.

### ***Independence***

The Corporation believes that in order to be effective our Board must be able to operate independently of management. Our Board Charter requires that a majority of the Board, including the Chairman, shall be independent, as defined under the securities requirements in Canada. In making a determination of independence, the Board considers all relationships of the director, including business, familial and other relationships. On an annual basis as part of the Corporation's corporate disclosure review, the Board reviews the relationships that each director has with the Corporation in order to satisfy itself that the independence criteria have been met.

In applying the definitions of independence set out in NP 58-201, the following members of the Board have been determined to be independent: Messrs. Kent Thexton, Chairman of the Board and John Phillips, who joined the Board on November 1, 2006; Mr. Stephen Davies, who joined the board on January 9, 2007, Mr. Alan Michels, who joined the Board on December 10, 2008 and Mr. Terry Nickerson, who joined the Board on October 5, 2010. All of these members are free from any business, familial, or other relationship which could, in the view of the board, be reasonably perceived to materially interfere with the director's ability to act with a view to the best interests of the Corporation.

Mr. Lucas Skoczowski, as the Corporation's Chief Executive Officer has a material relationship with the Corporation and, therefore not independent and not eligible to serve on each of the Audit Committee, the Compensation Committee or the Nomination and Governance Committee.

### ***Meetings of the Board***

During the Corporation's financial year ended September 30, 2010, there were ten (10) meetings of the Board, four (4) meetings of the Audit Committee, six (6) meetings of the Compensation Committee, and one (1) meeting of the Nomination and Governance Committee.

The attendance record of each of the Corporation's directors at these meetings (as applicable) is set out below. Each meeting was attended by all directors, subject to the following qualifications:

<b>Summary of Attendance of Directors</b>				
<b>Name</b>	<b>Board Meetings</b>	<b>Audit Committee Meetings</b>	<b>Compensation Committee Meetings</b>	<b>Nomination Committee Meetings</b>
Stephen Davies	10 of 10	Not a member of this Committee	6 of 6	1 of 1
Alan Michels	10 of 10	4 of 4	Not a member of this Committee	1 of 1
James Pelot <sup>(1)</sup>	5 of 6	2 of 2	Not a member of this Committee	Not a member of this Committee
John Phillips	10 of 10	4 of 4	6 of 6	1 of 1
Lucas Skoczowski	10 of 10	Not a member of this Committee	Not a member of this Committee	Not a member of this Committee
Kent Thexton <sup>(1)</sup>	10 of 10	1 of 1	6 of 6	Not a member of this Committee

<sup>(1)</sup> Mr. Pelot ceased to be a director on March 10, 2010.

<sup>(2)</sup> Mr. Thexton became a member of the Audit Committee on July 8, 2010.



### ***Meetings of Independent Directors***

The Board has taken steps to ensure that adequate structures and processes are in place to allow the Board to function independently of management. The independent directors hold a regularly scheduled *in camera* session at each meeting of the Board in order to facilitate open and candid discussion amongst the Board's independent directors. From October 1, 2009 to and including August 11, 2010, eight (8) *in camera* sessions were held. All committees of the board of directors (the Audit Committee, the Compensation Committee and the Nomination and Governance Committee) are currently comprised solely of directors considered by the board to be independent within the meaning of NP 58-201.

### ***Other Directorships***

Currently, the Director nominees listed below serve as directors on the boards of other public companies.

<b>Director</b>	<b>Public Company</b>
Stephen Davies	The Practice Plc
Terry Nickerson	Miranda Technologies Inc.
Kent Thexton	Sierra Wireless

### ***Board Mandate***

The Board is responsible for the overall stewardship of the Corporation and its business, including supervising management of the Corporation's business and affairs. The Board discharges its responsibilities in accordance with the *Canada Business Corporation's Act*, the Corporation's articles and by-laws, the Corporation's Code of Conduct and Business Ethics and the Charters of the Board and each of its Board Committees.

As set out in the Board Charter, the Board has established three committees to assist with its responsibilities: the Audit Committee, the Compensation Committee and the Nomination and Governance Committee. Each committee has a charter defining its responsibilities. Copies of the Corporation's Code of Conduct and Business Ethics and Charters of the Board and the Board Committees can be found on the Corporation's website at [www.redknee.com](http://www.redknee.com).

Under the Board Charter, which is reviewed at least annually, the Board is responsible for among other things, the following:

- Developing and approving our approach to and practices regarding corporate governance;
- Developing and approving management authority guidelines delineating authority retained by the board and authority delegated to the Chief Executive Officer and other members of management;
- Reviewing and ensuring the integrity of our internal controls;
- Updating and ensuring compliance with the Code of Conduct and Business Ethics;
- Updating and ensuring compliance with the Whistleblower Policy; and
- Succession planning.

The Board requires management to obtain the Board's approval for:

- All decisions that are outside the ordinary course of business (including, without limitation, major financings, major acquisitions, major dispositions, significant investments, significant licensing and new commercial relationships and litigation strategies);
- Any expenditure above an amount specified by the Board;
- Significant changes to the Corporation's organizational structure;
- Appointment of officers; and
- Such other matters as the Board may determine from time to time.

### ***Strategic Planning Process***

Pursuant to our Board Charter, the Board is responsible for reviewing and approving at least annually, a strategic planning process. As part of this review, the Board receives presentations from management, which take into account the principal risks and opportunities of the Corporation's business. The strategic plan of the Corporation for 2011 was reviewed by the Board in July 2010. The Board monitors management's execution of the Corporation's strategic plan through quarterly updates during Audit Committee and Board meetings.

### ***Business and Risk Management***

The Board of Directors, through its Audit Committee, is responsible for ensuring that management has identified the principal risks of the business of the Corporation and has implemented appropriate practices to manage these risks. The principal risks of the Corporation can be found in its Annual Information Form on the Corporation's website at [www.redknee.com](http://www.redknee.com) or posted on SEDAR.com. The Audit Committee meets regularly to consider reports from management and to discuss significant risk areas and management's risk mitigation practices.

### ***Position Descriptions***

The Board has developed written position descriptions for the Chairman of the Board, the Chair of each Board Committee, the Chief Executive Officer, the Chief Financial Officer and for individual directors (collectively, the "Position Descriptions"). Each of these Position Descriptions are reviewed and updated annually by each of the Board Committees and subsequent recommendations are made to the Board.

### ***Orientation and Continuing Education***

Pursuant to its mandate, and with the assistance of the Nomination and Governance Committee, the Board is responsible for ensuring that all new members receive a comprehensive orientation to increase their effectiveness as soon as possible after their appointment to the Board. New directors are educated regarding the Board's role and the Board Committees, the expected contributions of individual directors (including the commitment of time and energy) as well as strategic and operational direction of the business. This is accomplished through a series of meetings with the Chairman of the Board, key members of management and others members of the Board. In addition, all new directors receive a comprehensive Director's Handbook on CD, which includes, but not limited to the following:

- Corporation overview;
- Strategic plan;
- Risk management overview;
- Organizational charts;
- Board and executive management contact lists;
- Corporate governance documentation;
- Director remuneration;
- Key legal documents; and
- Significant Corporation policies and procedures.

Under the guidance of the Nomination and Governance Committee, the Board is also responsible for providing continuing education opportunities for all directors, so that individual members maintain or enhance their skills and abilities as directors, as well as remain current in their knowledge and understanding of the Corporation's business. This is achieved through regular presentations and ongoing open discussion with members of senior management.

## **Ethical Business Practices**

### ***Code of Business Conduct and Ethics***

The Board has adopted a Code of Conduct and Business and Ethics. The purpose of the Code of Conduct and Business Ethics is to ensure that the Corporation maintains a high level of trust and integrity and meets high ethical standards applicable to all directors, officers and employees and to subsidiaries. The Code of Conduct and Business Ethics can be viewed at [www.redknee.com](http://www.redknee.com). Each director, officer and employee is required to review and acknowledge the Code of Conduct and Business Ethics annually. Currently, the Board (through the Audit Committee and the Nomination and Governance Committee), has the responsibility to monitor compliance with the Code of Conduct and Business Ethics and to recommend improvements as deemed necessary or desirable.

### ***Whistleblower Policy***

The Board has adopted a Whistleblower Policy and has set up a confidential hotline from which summary activity reports are provided and reviewed by selected members of management monthly. The Board monitors compliance with the Whistleblower Policy through quarterly updates (or more frequently if applicable) from the Audit Committee.

## **Board Committees**

As noted above, the Board has three standing committees: the Audit Committee, the Compensation Committee and the Nomination and Governance Committee. The specific responsibilities of each of the Board Committees are identified in such committee's charter. A copy of each Board Committee Charter is available on our website at [www.redknee.com](http://www.redknee.com).

### **Audit Committee**

As of January 17, 2011, the Audit Committee, which shall be made up of no less than three members, is currently comprised of the following four (4) directors: Terry Nickerson (Chairman), John Phillips, Alan Michels and Kent Thexton. Each member is considered "independent" and "financially literate" (as such terms are defined in National Instrument 52-110 - *Audit Committees*).

### *Relevant Education and Experience of Members of the Audit Committee*

The education and experience of each Audit Committee member that is relevant to such member's responsibilities as a member of the Audit Committee is set out below.

***Alan Michels*** – Mr. Michels has over 30 years of experience in IT and telecommunications, previously serving as President of Kenan Systems Inc. and President and CEO of Telewest Communications, Plc. Mr. Michels holds a Master of Business Administration in Finance, and a Bachelor of History degree from Rutgers, the State University of New Jersey-New Brunswick.

***Terry Nickerson*** - Mr. Nickerson has served as the Chief Financial Officer of ATI Technologies, Inc. and of Northern Telecom Limited. While with IBM and Northern Telecom, he served on international assignments covering Asia, Europe and Latin America. Mr. Nickerson is currently a director of Miranda Technologies Inc. Mr. Nickerson has also served as Audit Committee Chairman of Silicon Storage Technology, Tundra Semiconductor and Miranda Technologies Inc. He holds a Bachelors of Science degree in Metallurgical Engineering from Queens University and an M.B.A. from Harvard University.

***John Phillips*** –Mr. Phillips is an experienced corporate director, consultant and lawyer specializing in business law. He currently works as an investor and consultant through his own company, Klistar Credit Corp. Mr. Phillips' past experience as a corporate director includes serving as Chair of the Canadian Wireless Telecommunications Association, and Chair of the Canadian Merit Scholarship Foundation. He is currently Chair of BPS Resolver Inc. and Board member of, among others, Virtual Marine Technology, White Pine Pictures, Jaded Pixel and Healthcare365. Mr. Phillips has a B.A. and LL.B. from the University of Toronto.

***Kent Thexton*** - Mr. Thexton has over 17 years international wireless experience and executive positions at major wireless carriers. Mr. Thexton is now engaged in building and growing a range of wireless companies. Mr. Thexton co-founded and chaired i-wireless LLC. Previously, Mr. Thexton was Chairman and CEO of SEVEN, a leading global white label provider of push email service for wireless. Mr. Thexton joined SEVEN from leading UK operator O2, where he served as chief data and marketing officer, president of O2 Online and a member of the board of directors. Prior to joining O2, Mr. Thexton spent eight years in the Canadian mobile industry, holding the position of Chief Operating Officer and Executive Vice President of Rogers Cantel (now Rogers Wireless). Prior to this he held management positions at Northern Telecom and Bell Canada. Mr. Thexton holds an M.B.A. and B.S. in electrical engineering from University of Western Ontario.

### *Audit Committee Charter*

The Board has adopted a Charter for the Audit Committee which sets out the mandate and responsibilities of the Audit Committee. The Audit Committee is responsible for, among other things, the following:

- ensuring compliance with legal and regulatory requirements, including reviewing and recommending to the Board our financial statements, MD&A and reviewing and approving our interim financial statements, MD&A and Annual Information Form;
- reviewing the qualifications, performance and independence of the Corporation's external auditor;
- monitoring the quality and integrity of the Corporation's financial statements;
- overseeing the design, implementation and assessment of disclosure controls and procedures and internal control over financial reporting;
- monitoring the effectiveness of the Corporation's risk management program;
- monitoring and reviewing the effectiveness of the Corporation's internal audit function; and
- monitoring compliance with the Corporation's Whistleblower Policy and procedures.

As contemplated in its Charter, the Audit Committee meets at least four (4) times annually with our internal auditor and with our external auditors without management being present.

A copy of the Corporation's Audit Committee Charter is set out in the Corporation's Annual Information Form which is available on our website at [www.redknee.com](http://www.redknee.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Compensation Committee**

The Compensation Committee is comprised of the following three directors: John Phillips (Chairman), Kent Thexton and Stephen Davies. All members are considered "independent" (as such term is defined in NI 58-101). The Board has adopted a charter for the Compensation Committee which sets out its purpose, mandate and its duties and responsibilities. The Compensation Committee is responsible for, among other things, as follows:

- recommending the Corporation's framework or broad policy for the compensation of executives (including pension rights and compensation payments);
- recommending the compensation of the Chief Executive Officer, including salary, bonus, long-term incentives and material benefits;
- approving compensation paid to members of senior management based on recommendations made by the Chief Executive Officer;
- determining performance-related formulae and targets relevant to executive compensation, based on recommendations made by the Chief Executive Officer;
- reviewing and approving all compensation-related disclosure;
- reviewing periodically the adequacy and form of compensation paid to non-executive directors; and
- Succession planning

A copy of the Compensation Committee Charter is available on our website at [www.redknee.com](http://www.redknee.com).

### *Nomination and Governance Committee*

The Nomination and Governance Committee is comprised of the following three directors: Stephen Davies (Chairman), Alan Michels and Kent Thexton. All members are considered "independent" (as such term is defined in NI 58-101). The Board has adopted a Charter for the Nomination and Governance Committee which sets out its purpose, mandate and its duties and responsibilities. As described in the Nomination and Governance Committee's Charter, the key responsibilities of the Nomination and Governance Committee include, but are not limited to the following:

- reviewing and recommending to the Board the Corporation's approach to corporate governance policies and practices;
- monitoring compliance with the Corporation's Code of Conduct and Business Ethics;
- providing all new directors with comprehensive orientation on the nature and operation of the Corporation's business;
- providing continuing education opportunities for all directors;
- overseeing the annual board assessment process, including a review of each individual director's performance;
- reviewing and identifying directors for election to the Board;
- developing a process for identifying and reviewing potential conflict of interest situations;
- reviewing annually and recommending to the Board changes to the Board and Committee Charters and Position Descriptions; and
- monitoring compliance of each of the Corporation's Disclosure and Insider Trading policies.

### *Conflict of Interest*

The Nomination and Governance Committee has oversight responsibility with respect to identifying and reviewing potential conflict of interest situations. The Corporation has no contracts or other arrangements in place in which any of its Directors or officers has a material interest and does not anticipate entering into any such arrangements. If such arrangements were to arise, they would be considered and approved, as appropriate, by the Board, under the guidance of the Nomination and Governance Committee.

### *Nomination of Directors*

The Nomination and Governance Committee is responsible for making recommendations to the Board regarding the size, composition of the Board and qualification criteria for Board members reflecting an appropriate mix of expertise, skills, attributes and personal and professional backgrounds for service as an independent director of the Corporation. When recruiting new members, the Nomination and Governance Committee considers the skills and competencies of the current directors, the existence of any gaps in Board skills and the attributes and experience new directors should have in order to best address the needs of the Board. The Nomination and Governance Committee also ensures through discussion with potential board candidates that they have the time available to fulfill their obligations on the Board. In consultation with the Chairman of the Board, the Nomination and Governance Committee develops a desirable mix of attributes and experience, including relevant industry experience, and may retain an external consultant to assist in the identification of candidates meeting the requisite criteria.

A copy of the Corporation's Nomination Committee Charter is available on our website at [www.redknee.com](http://www.redknee.com).

### ***Board Access to Management, Outside Counsel and Advisors***

The Board or each of the Board Committees has exclusive access to all employees of the Corporation (including members of senior management) The Board or any one of the Board Committees is entitled to engage independent counsel and other advisors as considered necessary to carry out its duties and to set and pay the compensation for any such advisors. In 2010, one outside advisor, a compensation specialist, was hired to help assess the competitiveness of senior management's compensation and non-executive director compensation and one advisor, a search firm, was hired to help identify potential candidates to serve on the Board.

### ***Performance Assessment of the Board and its Committees***

The Board annually reviews the effectiveness of the Board and the Board Committees in fulfilling their duties and responsibilities. The Board, the Board Committees and individual directors are assessed annually with respect to their effectiveness and contribution. The Board currently satisfies itself that the Board, its Committees and individual directors are performing effectively by way of the Chairman of the Board in consultation with the Chair of the Nomination Committee conducting informal assessments annually.

### **FEEDBACK**

The Board welcomes input and comments from shareholders of the Corporation. Input or comments for the Board or its committees should be directed to the Corporate Secretary at:

Redknee Solutions Inc.  
2560 Matheson Blvd. East  
Suite 500  
Mississauga, Ontario  
L4W 4Y9

### **AUDIT COMMITTEE INFORMATION**

The Audit Committee has a formal charter and is comprised of four directors who are independent and financially literate (for education and experience, please refer to section "Nominees for Election to Board of Directors" above). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee. Detailed information with respect to the Corporation's Audit Committee is contained under the heading "Audit Committee" in the Corporation's Annual Information Form for the financial year ended September 30, 2010 filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **INTEREST IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed in this Circular, no informed person, proposed nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed nominee has or had a material interest, direct or indirect, in any transaction since the beginning of fiscal 2010 or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

## **AVAILABLE INFORMATION**

Financial information is provided in the Corporation's financial statements, Management's Discussion and Analysis (MD&A) for the year ended September 30, 2010. Shareholders of the Corporation may request copies of the Corporation's financial statements including MD&A therein, and Annual Report by resorting to the Corporation's website, [www.sedar.com](http://www.sedar.com), or by contacting, the Corporate Secretary of the Corporation, in person, by mail, facsimile, or e-mail at: 2560 Matheson Blvd. East, First Floor, Mississauga, ON, Canada, L4W 4Y9, Tel 1-905-625-2622 Fax 1-905-625-2773. Additional information relating to the Corporation is also available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **SHAREHOLDER PROPOSALS**

Persons entitled to vote at the next annual meeting of the Corporation who wish to submit a proposal for consideration at the meeting, must submit their proposal to the Corporation by November 12, 2011.

## **DIRECTORS' APPROVAL**

The Board of Directors of the Corporation has approved the contents and the sending of this Information Circular.

DATED at Toronto, as of the 31stst day of January 2011.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Lucas Skoczkowski"*

**Lucas Skoczkowski**  
Chief Executive Officer



## Schedule “A”

### REDKNEE SOLUTIONS INC. BOARD OF DIRECTORS CHARTER

1. ***Corporate Governance Statement***

The Board shall develop the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company and shall publish a Corporate Governance Statement annually that describes how it achieves good governance. The Corporate Governance Statement shall, as a minimum, describe how each of the principles of good governance and best practices contained in the Corporate Governance Guidelines set out under National Policy 58-201 issued by the Canadian Securities Administrators, is put into practice by the Company and also describe any additional corporate governance standards and procedures that the Company applies beyond these basic levels. Where, the Company is unable to comply with these guidelines, the Corporate Governance Statement shall describe how the features of good governance are being achieved.

2. ***Independence and Conflict of Interest***

The majority of the Board Members, including the Chairman, shall be independent Directors, as that term is defined under the relevant governing legislation.

The Board shall establish formal processes for determining the independence of its members as well as dealing with any conflict of interest situations.

3. ***Committees of the Board***

The Board shall establish appropriate Committees to deal with subject matter areas. These Committees shall comprise entirely of independent Directors and shall set out their roles and responsibilities in formal Terms of References which shall be approved by the Board and made publicly available. Each Committee Chair shall report the Board after each Committee meeting and shall annually provide the Board with a report on its activities in the previous year.

As a minimum the Committees shall comprise:

- a) Audit Committee
- b) Compensation Committee
- c) Nomination Committee

4. ***Position Descriptions***

The Board shall develop clear position descriptions for the Chair of the Board and the Chair of each Board Committee. In addition, the Board, together with the Chief Executive Officer, shall develop a clear position description for the Chief Executive Officer, which includes delineating management's responsibilities.

5. ***Management Authority Guidelines***

The Board should develop formal Management Authority Guidelines delineating authority retained by the Board and authority delegated to the Chief Executive Officer and the other members of the Executive Team. The Authority Guidelines shall also clearly state matters which should be presented to the Board and its Committees. These matters shall include significant changes to management structure and appointments; strategic and policy considerations; major acquisitions and capital expenditures; major marketing initiatives; significant agreements, contracts and negotiations; significant finance related and other general matters.

6. ***Strategic Planning***

The Board shall adopt a strategic planning process and approve, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business with frequent input from management on the Company's performance against the strategic plan.

7. ***Risk Management and Internal Controls***

The Board shall identify the principal risks of the Company's business, shall ensure that appropriate systems are implemented to manage these risks, and shall receive frequent updates on the status of risk management activities and initiatives.

The Board shall, at least annually, provide oversight to a review of the effectiveness of the Company's system of internal controls. The review should cover all material controls, including financial, operational and compliance controls and risk management systems. The Board shall provide adequate oversight to the financial reporting process including the information systems processing.

8. ***Ethical Standards***

The Board shall adopt a written Code of Ethics and Business Conduct and shall establish the appropriate "tone at the top". To the extent feasible, the Board shall satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the organization. Any waivers from the Code that are granted for the benefit of the Company's directors or executive officers should be granted by the Board only.

The Board shall review and approve the mandate of the Company's Ethics and Compliance Committee and on an annual basis receive the report of the Ethics and Compliance Committee with respect to the Committee's activities during the quarter.

9. ***Whistle Blower Policy***

The Board shall establish a Whistleblower policy and ensure that there are adequate procedures for it to be apprised on a timely basis and in sufficient detail of all concerns raised by employees, officers and directors of the Company and external parties regarding instances of misconduct including illegal or unethical behaviour, fraudulent activities, and violation of Company policies, particularly with respect to accounting, internal accounting controls or auditing matters and that such concerns are properly received, reviewed, investigated, documented and brought to an appropriate resolution.

10. ***Oversight of Financial Performance***

The Board shall approve the annual budget and periodically shall receive an analysis of actual results versus approved budgets. The Board shall approve the annual and interim reports to shareholders.

11. ***Management Oversight***

The Board should develop or approve the corporate goals and objectives that the Chief Executive Officer is responsible for meeting.

The Board shall provide oversight to a succession planning process (including appointing, training and monitoring the Chief Executive Officer and other members of the Executive Teams). The Board shall provide oversight in determining the compensation of executive officers and the appointment and termination of those individuals. All management incentive plans tied to performance shall be approved by the Board. The Board shall provide oversight to the determination of Senior Management responsibilities.

12. ***Dialogue with Shareholders***

The Board shall adopt a communication policy for the Company and there shall be a dialogue with shareholders based on the mutual understanding of objectives. The Board as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place. The Board shall appoint one of the independent non-executive Directors to be the senior independent Director who shall be available to shareholders if they have concerns which contact through the normal channels of Chairman, Chief Executive Officer or the Chief Financial Officer has failed to resolve or for which such contact is inappropriate.

The Chairman of the Board shall be available at the Annual General Meeting of the Company to respond to any shareholder questions on the activities and responsibilities of the Board

13. ***Meeting Procedures***

- 13.1 The Board shall meet at least quarterly and at such times and with such frequency as the Board shall determine is appropriate to meet its responsibilities. A quorum of the Board shall consist of a majority of the Directors. At least seven days' notice of any meeting of the Board shall be given, although such notice may be waived or shortened with the consent of all the members of the Board.
- 13.2 The independent directors shall hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance.
- 13.3 In setting the meeting agendas, the Chairman of the Board shall encourage members of the Board to provide input in order to address emerging issues.
- 13.4 The Board shall set its annual agenda to ensure compliance with the requirements of the Board's Governance Guidelines and shall cause the same to be done by its Committees with respect to their Terms of Reference. The Board shall review and approve the annual agendas of its Committees.
- 13.5 The Board should be supplied in a timely manner with information (including regular management financial information) in a form and of a quality appropriate to enable it to discharge its duties and to allow monitoring of management's objectives and strategies.
- 13.6 The Secretary of the Board shall circulate the minutes of meetings of the Board to all members of the Board for review and comments.

- 13.7 Directors are expected to attend every Board meeting and review all meeting materials in advance of the meetings.
- 13.8 The Board shall review its Governance Guidelines on an annual basis to ensure that they remain relevant and cause the same to be done by each of its Committees of their Terms of Reference.
- 13.9 The Board, its Committees and each individual Director shall regularly conduct a self-assessment regarding his, her or its effectiveness and contribution. A self-assessment shall consider in the case of the Board or a Board Committee, its Governance Guidelines and Terms of Reference, respectively, and in the case of an individual Director, the applicable position description(s), as well as the competencies and skills each individual Director is expected to bring to the Board.
- 13.10 The Board shall provide continuing education opportunities for all Directors, so that individuals may maintain or enhance their skills and abilities as Directors, as well as to ensure their knowledge and understanding of the Company's business remains current.
- 13.11 The Board shall ensure that all new Directors receive a comprehensive orientation. All new Directors should fully understand the role of the Board and its Committees, as well as the contribution individual Directors are expected to make (including, in particular, the commitment of time and resources that the Company expects from its Directors). All new directors should also understand the nature and operation of the Company's business.

#### 14. ***Board Administration***

- 14.1 The Board shall establish and monitor procedures for identification of and dealing with conflicts of interest. Directors shall recuse themselves from a particular matter where there may be a perception of conflict or a perception that they may not bring objective judgment to the consideration of the matter.
- 14.2 The Board shall not take any action which may confer on certain shareholders or other parties an unfair advantage at the expense of other shareholders or the Company.
- 14.3 Directors shall annually complete a Directors and Officers Information Form to facilitate the detection of any independence issues or conflicts of interest at the Board level.
- 14.4 The Board shall oversee an annual review of Director Compensation to ensure development of a compensation strategy that properly aligns the interests of Directors with the long-term interests of the Company and shareholders.
- 14.5 The Company shall indemnify Directors against losses that may arise from the appropriate exercise of their authority as Directors, and shall arrange for an adequate level of Directors and Officers Liability Insurance to supplement this indemnification.
- 14.6 The Board shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers being necessary or advisable in order to perform its duties and responsibilities.
- 14.7 The Board shall be entitled to engage independent counsel and other advisors as it considers necessary to carry out its duties and to set and pay the compensation for any such advisors.