

AUGYVA MINING RESOURCES INC.

MANAGEMENT PROXY CIRCULAR

This circular is provided in connection with the solicitation of proxies by the management of Augyva Mining Resources Inc. (the *Corporation*) to be used at its shareholders' annual meeting (the *Meeting*) of the Corporation to be held at the time, place and the purposes indicated in the enclosed notice of annual and special meeting (the *Notice*) and any adjournment thereof. This solicitation of proxies will be accomplished by mail and the cost will be borne by the Corporation. Shareholders unable to attend the Meeting in person are requested to complete the enclosed proxy form and to forward the same to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto, ON M5J 2Y1. If the given shareholder is a corporation, the said proxy form must be signed by an officer of the corporation who has been duly authorized to sign the proxy.

REVOCATION OF PROXY

A shareholder giving a proxy pursuant to this proxy solicitation may revoke it with a written instrument executed by himself or by his agent duly authorized in writing or, if the shareholder is a corporation, by an officer of the latter duly authorized in writing, and deposited at the Corporation's registered office or Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto ON M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or with respect to any issue not yet voted upon under the proxy granted by the shareholder, any revocation may be personally given by hand to the Secretary of the Meeting on the day of the Meeting or any adjournment thereof. A shareholder may also revoke his proxy in any other way authorized by law.

APPOINTMENT OF PROXIES

The persons indicated in the enclosed proxy form are officers of the Corporation. **A shareholder has the right to appoint a person to represent him at the Meeting other than the persons whose names appear as proxies on the enclosed proxy form by striking out the names printed on the proxy form and by inserting the name of his own choice in the space provided for this purpose on the proxy form.** A person appointed as proxy need not be a shareholder of the Corporation. In order to be effective, the proxy must be deposited to Computershare Investor Services Inc., 100 University Avenue, 9th Floor, Toronto ON M5J 2Y1 not less than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) prior to the date of the meeting.

VOTING BY NON-REGISTERED SHAREHOLDERS

A holder of Common Shares may own such shares in one or both of the following ways. If a shareholder is in possession of a physical share certificate, such shareholder is a "registered" shareholder and his or her name and address are maintained by the Corporation through its transfer agent, Computershare Investor Services Inc. If a shareholder owns shares through a bank, broker or other nominee, such shareholder is a "beneficial" shareholder and he or she will not have a physical share certificate. Such shareholder will have an account statement from his or her bank or broker as evidence of his or her share ownership.

A registered shareholder may vote a proxy in his or her own name in accordance with the instructions appearing on the enclosed form of proxy and/or a registered shareholder may attend the Meeting and vote in person. Because a registered shareholder is known to Corporation and its transfer agent, his or her account can be confirmed and his or her vote recorded or changed if such registered shareholder has previously voted. This procedure prevents a shareholder from voting his or her shares more than once.

Only the registered shareholder's latest dated proxy will be valid. Most shareholders are "beneficial owners", who are not registered shareholders. Their Common Shares are registered in the name of an intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency in which the intermediary is a participant (such as The Canadian Depository for Securities Limited). Intermediaries have obligations to forward meeting materials to non-registered holders, unless otherwise instructed by the holder (and are required to do so in some cases despite such instructions). Only registered shareholders or their duly appointed proxyholders are permitted to vote at the Meeting.

Non-registered holders should follow the directions of intermediaries with respect to the procedures to be followed for voting. Generally, intermediaries will provide non-registered holders with either: (a) a voting instruction form for completion and execution by the non-registered holder, or (b) a proxy form, executed by the intermediary and restricted to the number of shares owned by the non-registered holder, but otherwise uncompleted. These are procedures to permit the non-registered holders to direct the voting of the Common Shares which they beneficially own.

If non-registered holders wish to attend and vote in person at the Meeting, they must insert their own name in the space provided for the appointment of a proxyholder on the voting instruction form or proxy form provided by the intermediary and carefully follow the intermediary's instructions for return of the executed form or other method of response.

USE OF DISCRETIONARY POWER CONFERRED BY PROXY

The Corporation's shares represented by a duly signed proxy in favor of the management representatives will be voted, when a vote is called for, in accordance with the instructions of the shareholder or, **in the absence of such instructions, will be voted:**

- i) IN FAVOR of the election of the proposed candidates for the position of directors of the Corporation; and**
- ii) IN FAVOR of the nomination, as auditors, of Raymond Chabot Grant Thornton LLP, Chartered Accountants, and the authorization given to the directors to fix their remuneration.**

The enclosed proxy form confers discretionary power with respect to any amendment pertaining to the matters identified in the Notice and to any other matters which could be properly brought before the Meeting. As of the date hereof, management of the Corporation have no knowledge of any amendment nor of any other questions that could be brought before the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an officer of the Corporation nor any proposed nominee at any time since the beginning of its last completed financial year, or any associate of any such director or officer, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On July 27, 2009, 37,963,197 common shares of the Corporation were issued and outstanding, each carrying the right to one vote at the Meeting. Only shareholders registered on the record date, July 27, 2009, have the right to receive the Notice and to vote in person or by proxy at the Meeting or any adjournment thereof. However, if a person has transferred any of his shares after that date, the transferee of such shares shall have the right to vote same at the meeting or any adjournment thereof upon establishing proper ownership thereof. To the knowledge of the management of the Corporation, as at July 27, 2009, no person had control over more than 10% of the outstanding common shares of the Corporation, except for Georges-Yvan Gagnon who, directly or indirectly, holds 6,125,020 common shares or 16.13% of the outstanding common shares of the Corporation.

BUSINESS TO BE TRANSACTED AT THE MEETING

a) Presentation of the Financial Statements

The consolidated financial statements of the Corporation for the financial year ended February 28, 2009 and the Auditors' report thereon accompanying this circular will be submitted to shareholders at the Meeting but no vote with respect thereto is required or proposed to be taken.

b) Election of the Directors

The members of the Board of Directors are elected annually. Each director holds office until the next annual meeting of shareholders or until his successor is elected or appointed. The mandate of Sandy C.K. Chim, Augustine Chow, Georges-Yvan Gagnon, Michael R. Skutezky and Kerry D. Smith will expire at the date of the Meeting. Management proposes to elect 5 Directors at the Meeting. The five persons mentioned hereunder will be proposed for election as directors of the Corporation until the next annual meeting of shareholders.

The management of the Corporation does not contemplate that any of the nominees will, for any reason, become unable or unwilling to serve as a director. **However, if any change should occur prior to the Meeting, the persons named in the proxy form reserve the right to vote for other nominees of their choice unless the shareholder has indicated in the form of proxy his wish to abstain from exercising the voting rights attached to his shares at the time of the election of the directors.**

The persons named in the enclosed proxy form intend to vote in favor of the election of the nominees whose names are listed below, unless the shareholder signatory of the proxy has indicated his will to abstain from voting regarding the election of directors.

Name and Office held with the Corporation	Principal Occupation	Director since	Number of common shares held as of July 27, 2009⁽¹⁾
Sandy C.K. Chim ⁽²⁾ Kowloon, SAR, PRC Chairman, CEO and Director	Chairman of Century Iron Ore Group	2008	2,322,000
Georges-Yvan Gagnon Quebec, Canada President and Director	President of the Corporation	1986	6,125,020
Michael R. Skutezky ⁽²⁾ Ontario, Canada Director	Chairman of Rhodes Capital Corporation	2008	50,000
Kerry D. Smith ⁽²⁾ Ontario, Canada Director	President and CEO of HMZ Metals Inc.	2007	-
Dr Augustine Chow Hong Kong, SAR, PRC Director	CEO of Harmony Asset Limited	2008	-

(1) The information as to the shares beneficially or directly owned or over which control or direction is exercised by each of the nominees has been furnished by such nominees.

(2) Member of the Audit Committee.

All nominees were elected at the previous meeting.

To the knowledge of the Corporation and based upon information provided to it by the nominees for election to the Board of Directors, no such nominee:

- (a) is, as at the date of this Management Proxy Circular, or has been, within 10 years before the date of this Management Proxy Circular, a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity:
 - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
 - (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.
- (b) has, within the 10 years before the date of this Management Proxy Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director,

Except as described below:

Kerry D. Smith was President and COO of Biogan International Inc., a company listed on NASDAQ-OTC-BB. On April 15, 2004, Biogan International Inc. filed a voluntary petition for relief under Chapter 11 of the US Bankruptcy code. The petition was done as part of a plan of reorganization to reorganize itself into a Canadian company.

Kerry D. Smith is President and CEO of HMZ Metals Inc., a metals company listed for trading on the Toronto Stock Exchange. HMZ Metals Inc. has been operating under a Management Cease Trade Order (“MTCO”) announced April 18, 2006 which order was sought by the management of HMZ pursuant to the late filing of financial statements and the discovery of unauthorized transfers of funds by HMZ’s Chinese joint venture partner. On March 11, 2008, the MTCO was replaced by a Cease Trade Order which was revoked on March 12, 2008. On January 18, 2008, the common shares of HMZ Metals Inc. were delisted from the Toronto Stock Exchange effective the close of business January 18, 2008. The shares are now trading on the CNSX Exchange. As of May 1, 2009, HMZ is working under a cease trade order resulting from a delay in filing its 2008 annual audited financials and MD&A.

Michael R. Skutezky has been General Counsel and Secretary of Energy Fuels Inc., a company listed for trading on the Toronto Stock Exchange. In February 2007, this company has been operating under a MTCO for failure to file the September 30, 2006 year en Financial Statements in a timely manner as a result of a change in Chief Financial Officer. Upon the filing of the 2006 Financial Statements in March 2007, the MCTO was lifted.

Michael R. Skutezky was Secretary of Lakota Resources Inc. in May 2009 when the British Columbia Securities Commission and the Ontario Securities commission issued a cease trade order in the context of the late filing of 2008 annual financial statements and related management’s discussion and analysis.

None of the foregoing nominees for election as director of the Corporation has been subject to:

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

c) Appointment of Auditors

Raymond Chabot Grant Thornton LLP, Chartered Accountants, are the auditors for the Corporation since December 2004. The management proposes Raymond Chabot Grant Thornton LLP, Chartered Accountants, as auditors of the Corporation for the financial year ending February 28, 2010, and that the Board of Directors be authorized to fix their remuneration.

The persons named in the enclosed proxy form intend to vote in favor of the appointment of Raymond Chabot Grant Thornton LLP, Chartered Accountants, as auditors for the Corporation at the Meeting and to authorize the Directors to fix their remuneration, unless the shareholder signatory of the proxy has indicated his will to abstain from voting with respect to the appointment of auditors.

STATEMENT OF EXECUTIVE COMPENSATION

In 2008, the Canadian Securities Administrators adopted amendments to Regulation 51-102 pertaining to the continuous duty of disclosure relative to the compensation of senior officers for the fiscal years ending December 31, 2008 or later. The information hereby presented conforms to these new requirements.

Compensation Discussion and Analysis

The Corporation's compensation program is designed to attract, develop and retain the highest quality human resources who will ultimately contribute to an optimal organization performance and corporate growth.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at corporations with similar financial, operating and industrial characteristics. The Corporation is a mining company involved in exploration and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such a corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of the executive. The compensation of senior officers is based on the individual performance and experience of each officer as well as the Corporation's business strategy and general economic considerations.

As mentioned above, the corporation is in an exploration and development phase with respect to its properties and often has to operate with limited financial resources and control costs to ensure that funds are available to complete schedules programs. As a result, the Board of Directors has to consider not only the financial situation of the Corporation at the time of the determination of the compensation but also the estimated financial situation in the mid and long-term.

Compensation Committee

In order to assist the Board of Directors in fulfilling its oversight responsibilities with respect to human resources matters, the Board has established the compensation committee (the "Compensation Committee"). During the most recently completed fiscal year, the Compensation Committee was comprised of three directors, namely Georges-Yvan Gagnon, Kerry D. Smith and Michael R. Skutezky, of which only one is considered not independent, Mr. Gagnon.

The Compensation Committee's purpose is to: (i) establish the objectives that will govern the Corporation's compensation program; (ii) oversee and approve the compensation and benefits paid to the CEO and other senior officers; (iii) recommend to the Board of Directors for approval executive compensation; and (iv) promote the clear and complete disclosure to shareholders of material information regarding executive compensation.

Compensation Process

The Compensation Committee relies on the knowledge and experience of its members to set appropriate levels of compensation for senior officers. Neither the Corporation nor the Compensation Committee currently has any contractual arrangement with any executive consultant.

The Compensation Committee reviews and makes determinations with respect to senior officer compensation on an ad hoc basis. When determining senior officers' compensation, the Compensation Committee reviews the performance of senior officers based on their achievements during the preceding year.

The Compensation Committee uses all the data available to it to ensure that the Corporation is maintaining a level of compensation that is both commensurate with the size of the Corporation and sufficient to retain key personnel. In reviewing comparative data, the Compensation Committee does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies. In the Compensation Committee's view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. External data is considered, along with an assessment of individual performance and experience, the Corporation's business strategy, and general economic considerations.

Elements of Compensation

The compensation of the executive officers consists primarily of the payment of a base salary or consulting fees and, in certain cases, the granting of options and performance bonuses.

Base salary or consultant fees

The Board of Directors, in determining base salary or consultant fees for each executive officer, considers the person's experience and position within the Corporation. Base salaries or consulting fees are reviewed from time to time by the Compensation Committee.

Annual bonus

The annual bonus plan is designed to reward and provides for annual cash awards based on corporate, operational and individual results when measured against predetermined corporate objectives and performance measures. Awards under the bonus plan are at the discretion of the Board of Directors. No awards were made in the fiscal year ended February 28, 2009.

Stock Options

The Board of Directors believes that employees should have a stake in the future growth of the Corporation and that the interests of the employees should be aligned with those of the shareholders. Executive officers who have an ability to directly impact the Corporation's business are eligible to participate in the Corporation's Stock Option Plan for key employees, officers, directors and consultants.

Stock Options may be awarded by the Board of Directors to executive officers at the commencement of their employment, annually, on meeting corporate and individual objectives, and from time to time, in order to reward an exceptional accomplishment.

In reviewing option grants, the Board of Directors gives consideration to the number of options already held by the executive officer, the level of responsibility assumed by the executive officer as well as his overall contribution to the Corporation's business plan and the fulfillment of the corporate objectives.

For further information regarding the Stock Option Plan, please refer to the item “**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS - Stock Option Plan**” below.

Executive Compensation Summary

Summary Compensation Table

The following synoptic chart presents selected information regarding the remuneration of (i) the Chief Executive Officer; (ii) the Chief Financial Officer; (iii) as well as the three most compensated executive officers whose total salary and bonus exceeds \$150,000 (collectively the “**Designated Executive Officers**”).

The Summary Compensation Table below shows detailed information on the compensation of the Designated Executive Officers, for services rendered in all capacities during the financial year ended on February 28, 2009. For information concerning compensation related to previous years, please refer to the Corporation’s previous Management Proxy Circulars available at www.sedar.com.

Name and principal position	Year	Salary (\$)	Share based awards (\$)	Option based awards (6) (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long term incentive plans			
Sandy C.K. Chim ⁽¹⁾⁽²⁾ Chief Executive Officer	2009	75,000	-	-	-	-	-	-	75,000
Georges-Y Gagnon ⁽¹⁾⁽³⁾ President	2009	174,600	-	113,334	-	-	-	-	287,934
Simon Britt ⁽⁴⁾ Chief Financial Officer	2009	-	-	700	-	-	-	4,910	5,610
Lynda Paulin ⁽⁵⁾ Secretary and Treasurer	2009	48,000	-	68,000	-	-	-	-	116,000

- (1) The Designated Executive Officers are each one member of the Board of Directors and received no compensation in this capacity.
- (2) On September 1st, 2008, the Corporation entered into a management agreement with Grand Century Iron Ore Inc., a company held by Sandy C.K. Chim and under which Mr. Chim agreed to serve the Corporation as Chief Executive Officer. See the item “External Management companies” for more details.
- (3) On September 1st, 2008, the Corporation entered into a management agreement with Explorations GYG Ltée., a company held by Georges-Yvan Gagnon and under which Mr. Gagnon agreed to serve the Corporation as President. See the item “External Management Companies” for more details. Mr. Gagnon was President and Chief executive Officer of the Corporation before August 28, 2008.
- (4) Mr. Britt has been appointed as Chief financial Officer in September 2008. He received fees for services rendered to the Corporation as Chief Financial Officer. Mr. Britt resigned as Chief Financial Officer in March 2009.
- (5) Ms. Paulin has been Secretary and Treasurer until September 2008. She became Chief Financial Officer in March 2009 succeeding Mr. Britt.
- (6) In determining the fair value of the options granted, the Corporation used the Black-Scholes method. For additional detail please see Note 9 to the Corporation’s annual audited financial statements for the year ended February 28, 2009 filed under the Corporation’s SEDAR profile at www.sedar.com.

External Management Companies

Mr. Sandy C.K. Chim is not employed by the Corporation and does not receive any direct compensation for his executive management services. The salary indicated in the summary compensation table represents fees paid to Grand Century Iron Ore Inc. as compensation for services rendered by Mr. Chim as CEO of the Corporation. That represents a consulting fee of \$150,000 per annum. Fees are payable on the first day of each month beginning September 1, 2008.

Mr. Georges-Yvan Gagnon is not employed by the Corporation and does not receive any direct compensation for his executive management services. The salary indicated in the summary compensation table represents fees paid to Explorations GYG Ltée as compensation for services rendered by Mr. Gagnon as President of the Company and geological services rendered to the Corporation. Mr. Gagnon got essentially a geological consulting fee at a per diem rate of \$600, payable against signed invoices detailing the work done for a maximum of 24 days in any calendar month.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The following table indicates for each of the Designated Executive Officers all awards outstanding at the end of the 2009 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 ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Sandy C.K. Chim	-	-	-	-	-	-
Georges-Y Gagnon	500,000	0.38	August 14, 2012	-	-	-
Simon Britt	25,000	0.23	Sept. 3, 2013	-	-	-
Lynda Paulin	300,000	0.38	August 14, 2012	-	-	-

(1) Calculated based on the difference between the exercise price of the options and the closing price of the common shares of the Corporation as at February 26, 2009: \$0.065.

Incentive plan awards – value vested or earned during the year for each Designated Executive Officers

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Sandy C.K. Chim	-	-	-
Georges-Y Gagnon	-	-	-
Simon Britt	-	-	-
Lynda Paulin	-	-	-

(1) In all cases, the exercise price of the options vested in 2009 exceeded the closing price of the underlying securities on the day prior to the vesting date.

Pension Plan Benefits

The Corporation does not have a pension plan or similar benefit program.

Termination and Change of Control Benefits

There is no contract, agreement, plan or arrangement that provides for payments to the Designated Executive Officers at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Corporation or a change in the Designated Executive Officers' responsibilities.

Director Compensation

Narrative discussion

The Compensation Committee is responsible for developing the directors' compensation plan which is approved by the Board of Directors. The objectives of the directors' compensation plan are to compensate the directors in a manner that is cost effective for the Corporation and competitive with other comparable companies and to align the interests of the directors with the shareholders

For the financial year ended February 28, 2009, each independent director has received a quarterly retainer of \$2,000 plus a sum of \$1,000 per quarter for each committee of the Board of Directors of which he is member. This compensation policy is effective since August 2008. Moreover, directors are entitled to the reimbursement of expenses incurred in attending meetings of the Corporation.

Directors who are also executive officers of the Corporation do not receive any compensation for the services rendered as a director of the Corporation.

Director compensation table

Name	Fees earned	Share-based awards	Option-based awards ⁽¹⁾	Non-equity incentive plan compensation	Pension value	All other compensation	TOTAL
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Michael R. Skutezky	8,000	-	1,400	-	-	-	9,400
Kerry D. Smith	8,000	-	114,375	-	-	-	122,375
Augustine Chow	4,000	-	1,400	-	-	-	5,400

(1) In determining the fair value of the options granted, the Corporation used the Black-Scholes method. For additional detail please see Note 9 to the Corporation's annual audited financial statements for the year ended February 28, 2009 filed under the Corporation's SEDAR profile at www.sedar.com.

Incentive Plan Awards

Outstanding Share-based Awards and Option-based Awards

The following table indicates for each director (except for the Designated Executives Officers) all awards outstanding at the end of the 2009 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 ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Michael R. Skutezky	50,000	0.23	September 3, 2013	-	-	-
Kerry D. Smith	125,000 375,000	0.52 0.38	March 15, 2012 August 14, 2012	- -	- -	- -
Augustine Chow	50,000	0.23	September 3, 2013	-	-	-

(1) Calculated based on the difference between the exercise price of the options and the closing price of the common shares of the Corporation as at February 26, 2009: \$0.065.

Director incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael R. Skutezky	-	-	-
Kerry D. Smith	-	-	-
Augustine Chow	-	-	-

(1) In all cases, the exercise price of the options vested in 2009 exceeded the closing price of the underlying securities on the day prior to the vesting date.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table gives information with regard to stock options outstanding as of February 28, 2009.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for further issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans approved by securityholders:			
Stock Option Plan	1,525,000 (or 4 % of the number of common shares issued and outstanding)	\$0.37	975,000 (or 2.6% of the number of common shares issued and outstanding)
Equity compensation plans not approved by securityholders: ----	----	----	----

Stock Option Plan

The Corporation has a stock option plan for the Directors, executive officers, employees and consultants of the Corporation and of its subsidiaries (the *Plan*).

The Board of Directors administers the Plan, designates the recipients of options and determines the number of common shares covered by each such option, the exercise price of each option, the expiry date and any other question relating thereto, in each case in accordance with the applicable legislation of the securities regulatory authorities. The price at which the common shares covered by an option may be purchased pursuant to the Plan will not be lower than the value of the common shares as recorded in the last sale of a board lot on the TSX Venture Exchange on the day preceding the allocation of the option.

All options granted under the Plan may be exercised during varying option periods established by the Board of Directors that do not exceed five (5) years. Options granted are non-transferable.

The Board of Directors may, at any time, with the prior approval of the TSX Venture Exchange, amend, suspend or terminate the Plan in whole or in part. In the event of a material amendment, the approval of the holders for a majority of the common shares present and voting in person or by proxy at a meeting of shareholders of the Corporation shall be obtained.

The total number of common shares that are issuable under the Plan may not exceed 2,500,000 representing approximately 6.6% of the issued and outstanding shares for the Corporation. Also, no optionee shall hold options under the Plan entitling him to purchase more than 5% for the number of common shares issued and outstanding from time to time.

The options granted vest gradually over a period of 18 months from the day of grant, at a rate of 1/6 per quarter. If prior to the exercise of an option, the optionee ceases to be a director, officer, employee or consultant of the Corporation, the optionee's option must be exercised within thirty (30) days of termination of employment or cessation of position with the Corporation, provided that if the cessation of office, directorship, consulting arrangement or employment was by reason of death, the option may be exercised up to twelve (12) months after such death, subject to the expiry date of such options.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at February 28, 2009, there were no loans granted by the Corporation to any of its directors or executive officers (including the Named Executive Officers), persons proposed for election as a Director, or any person related to such Directors or Officers or persons proposed for election as a Director.

INSURANCE OF DIRECTORS AND OFFICERS

The Corporation provides liability insurance for the benefit of its Directors and Officers. This insurance provides coverage of \$5,000,000 per event and policy year. A deductible of \$25,000 applies when the Corporation is authorized or obliged to indemnify the persons insured.

For the fiscal year ended February 28, 2009, the premium paid by the Corporation was \$15,696.

AUDIT COMMITTEE

a) Audit Committee's Charter

The Audit Committee has a formal charter, the text of which is attached to the management circular as Schedule "A". The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of National Instrument 51-110 *Audit Committees* ("NI 52-110").

b) Composition of the Audit Committee

The Audit Committee is composed of Sandy C.K. Chim, Michael R. Skutezky and Kerry D. Smith, directors of the Corporation, of which only one (Mr. Chim) is considered not independent pursuant to NI 52-110. All members, by their experience and formation, are financially literate within the meaning of NI 52-110. The Audit Committee meets on a quarterly basis or adopts written resolutions approving the financial statements. All members attended all the meetings of the Audit Committee held during the last fiscal year.

c) Relevant Education and Experience

The education and related experience of each Audit Committee member that is relevant to the performance of his responsibilities are set out below:

Sandy C.K. Chim graduated from the University of New South Wales in Australia with a Bachelor's degree in Commerce and from the Schulich School of Business at York University in Canada with a Master's degree in Business Administration. He is a member of the Institute of Chartered Accountants of Ontario, the Institute of Chartered Secretaries and Administrators in Canada and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Chim is the Chairman and founder of the Century Iron Ore Group which is based in the Far East with extensive network, experience and expertise in the international iron ore with the focus on developing iron ore resources targeted to supply iron ore products to China. Mr. Chim is a non-executive director of Prosperity Minerals Holdings Limited, a company listed on AIM, London and a member of the Supervisory Board of Anhui Chaodong Cement Co. Ltd., a company listed on the Shanghai Stock Exchange of China. Previously, Mr. Chim also held various directorships in public companies listed on the Australian and Hong Kong Stock Exchanges.

Michael R. Skutezky graduated from Bishop's University, Lennoxville (Quebec) in 1969 with a Bachelor's degree in History and Business and from Dalhousie University Law School, Halifax (Nova Scotia) in 1972 with a Bachelor's degree in law (LLB). He is member of the Law Society of Upper Canada and the Nova Scotia Barristers' Society, the International Bar Association and the Canadian Bar Association. After a career at Royal Bank as Assistant General Counsel, Mr. Skutezky experienced the management side of the business as Senior Vice-President of National Trust Company and as Senior Vice-President and General Counsel of the Romanian subsidiary of Telesysteme International Wireless Corporation. Mr. Skutezky is currently a lawyer practicing in association with Ormston List Frawley LLP, a law firm in Toronto, Ontario. He previously practices as an associate with Lang Michener LLP. Mr. Skutezky is Chairman of Rhodes Capital Corporation, a private merchant bank providing services to the resource and technology industry.

Kerry D. Smith graduated from Queen's University where he obtained his Bachelor of Applied Sciences (B.A. Sc) in Mining Engineering in 1976 and his MBA in 1980. Mr. Smith is a mining engineer member of the Association of Professional Engineers of Ontario (PEO) since 1981. He is currently the President and CEO of HMZ Metal Inc. From 1994 to 2000, Mr. Smith was Vice-President and ranked Mining Analyst with Merrill Lynch and RBC Dominion Securities, where he conducted quantitative and

qualitative research analyses of the base metal and gold sectors and wrote comprehensive research reports on companies under coverage.

d) Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, the board of directors has never refused to adopt a recommendation of the audit committee with respect to the nomination or compensation of the external auditors.

e) Reliance on certain exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has never relied on the exemption provided in Section 2.4 of the NI 52-110 ("De minimis non-audit services"), or the exemption from the NI 52-110 or any part thereof granted pursuant to Section 8 of NI 52-110.

f) Pre-Approval Policies and procedures

The audit committee has never adopted specific policies and procedures for the engagement of non-audit services.

g) External Auditor Service Fees

	2009	2008
a) Audit Fees	\$39,000	\$30,000
b) Audit-related Fees	-	-
c) Tax Fees	-	-
d) All Other Fees	-	\$4,275
TOTAL	\$39,000	\$34,275

The Corporation relies from to time on the exemption provided in Section 6.1 of NI 52-110 which exempts venture issuers from certain provisions of such regulation with respect to the composition of the audit committee and certain reporting obligations.

CORPORATE GOVERNANCE

Information presented below concerning corporate governance of the Corporation is required by the National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") and the TSX Venture Policy 3.1.

The NI 58-101 set out a series of guidelines for effective corporate governance. The guideline address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

a) Board of Directors

Michael R. Skutezky, Kerry D. Smith and Augustine Chow are independent directors.

The following directors are not independent:

Sandy C.K. Chim	Chief Executive Officer
Georges-Yvan Gagnon	President

b) Other reporting issuers

The following director is currently director of another issuer that is reporting issuer (or the equivalent) in a jurisdiction in Canada or abroad:

Sandy C.K. Chim	Prosperity Minerals Holdings Limited	UK
Augustine Chow	Harmony Asset Limited Jian ePayment Systems Limited Celsion Corporation	Canada Hong Kong USA
Kerry D. Smith	HMZ Metals Inc. Cenit Corporation Southeast Asia Mining Corporation	Canada Canada Canada

c) Orientation and Continuing Education

The Corporation does not offer a formal orientation and education program for new directors. The new directors familiarize themselves with the Corporation by speaking to other directors and by reading documents provided by the officers.

d) Ethical Business Conduct

Each director in the exercise of his functions and responsibilities must act in all honestly and good faith in the best interest of the Corporation as well as in compliance with the law, rules, policies and norms. In case of a conflict of interest, each director has to declare the nature and extent in any one important contract or proposed contract of the Corporation as soon as he acquires knowledge of an agreement or intent of the Corporation to consider or grant the proposed contract. In such case the director must refrain from voting on the subject.

e) Nomination of Directors

The Board of directors nominates candidates for director after reviewing the recommendations of the Governance and Compensation Committee and carefully reviewing and assessing the professional qualifications and skills, personality and other qualifications of each candidate, including the time and energy that such candidate is able to devote to the task and the contribution he can make to the Board of Directors.

f) Compensation

The Compensation Committee is responsible for reviewing the compensation of the Corporation's directors and officers. The Compensation Committee is comprised of Messr. Georges-Yvan Gagnon, Kerry D. Smith and Michael R. Skutezky. Messr. Smith and Skutezky are independent directors. While the Compensation Committee is not composed entirely of independent directors, the independent members of this committee hold the majority of votes. The mandate of the Compensation Committee is used to fulfill its responsibilities and the Board of Directors believes that this composition allows for the free flow of information that is required to ensure that the compensation process is objective and effective. The primary function of the Compensation Committee is to assist the Board of Directors in its oversight responsibilities with respect to executive compensation. See "STATEMENT OF EXECUTIVE COMPENSATION" for more information.

g) Other Board Committees

In addition to the Audit Committee and the Governance and Compensation Committee, the Board of Directors has no other standing committees.

h) Assessments

The Board of Directors is responsible for assessing the effectiveness of the board as a whole and of individual directors and the members of its various committees annually.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed below, no informed person (as such term is defined in National Instrument 51-102 – "Continuous Disclosure Obligations") of the Corporation, nominee for election as a director of the Corporation or, to the knowledge of the directors and executive officers of the Corporation, their respective associates or affiliates, has or had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation.

During the financial year ended February 28, 2009, the Corporation carried out the following transactions with companies controlled by certain of its officers: (i) general and administrative expenses (\$195,594) which included leases of accommodation for the personnel of the Corporation with companies owned by Georges-Yvan Gagnon and Lynda Paulin, respectively President and Senior Vice-President of the Corporation and (ii) deferred exploration expenses (\$1,545,431). Mr. Georges-Yvan Gagnon, President and Director of the Corporation, and Sandy C.K. Chim, Chief Executive Officer and Director of the Corporation, are shareholders and officers of 9647476 Canada Inc. ("James Bay Drilling"), a drilling company. Contracts with James Bay Drilling were concluded in the normal course of operations and were compared to arms' length contracts of independent drilling contractors through an independent tender process. Conflicts were disclosed by affected directors and officers in accordance with the relevant provisions of the *Canada Business Corporations Act* (R.S.C., 1985, c. C-44) and recorded in the minutes of the meeting of the Board of Directors. As at February 28, 2009, the outstanding amount payable related to these transactions was \$238,523.

OTHER ITEMS ON THE AGENDA

Management of the Corporation is not aware of any amendment regarding the matters set forth in the Notice or any other matters which may properly come before the Meeting, other than those mentioned in the Notice. However, should any amendment or other business be duly submitted to the Meeting, the attached proxy form confers discretionary authority upon the persons designated therein to vote on the amendments concerning the matters mentioned in the Notice or any other business in accordance with their best judgment.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Copies of the Corporation's latest annual report including audited financial statements and management's discussion and analysis may be obtained on request from the secretary of the Corporation at: 154 des Cascades, La Macaza (Quebec) J0T 1R0, tel: (819) 275-1614 – fax: (819) 275-2254. Additional information relating to the Corporation is available on SEDAR at www.sedar.com and on the Corporation website at www.augyva.com.

SHAREHOLDER PROPOSALS FOR THE NEXT ANNUAL MEETING

In accordance with the *Canada Business Corporations Act*, a shareholder may be entitled to submit to the Corporation notice of any matter that the person proposes to raise at the next annual meeting of shareholders and the Corporation shall set out such proposal and the accompanying supporting statements, if any, in the management proxy circular for the next annual meeting of shareholders, provided such notice is given to the Corporation by April 29, 2010.

APPROVAL

The contents of this management proxy circular and its forwarding to the shareholders have been approved by the directors of the Corporation.

DATED at Montreal (Quebec), this 28th day of July, 2009.

(s) André Lacroix
André Lacroix
Corporate Secretary

Schedule “A”

AUDIT COMMITTEE CHARTER AUGYVA MINING RESOURCES INC. (the « *company* »)

1. PURPOSE

The primary role of the audit committee is to assist the board of directors in fulfilling its financial reporting and control duties with regard to the shareholders of the Corporation and the financial community. The external auditors report directly to the audit committee. The main mandate and duties of the committee are as follows:

- a) Ensure the integrity of the Corporation’s financial statements and review financial reports and any other financial information submitted to governmental authorities or publicly disclosed by the Corporation, as well as any other pertinent documents;
- b) Recommend the external auditor to be appointed and review and assess their performance, ensure their competence and independence and maintain open lines of communication between the Corporation’s external auditors, financial management, senior officers and directors;
- c) Oversee the preparation of financial reporting, the application of internal controls and of business and financial risk management rules, as well as compliance with legal, ethical and regulatory requirements.

2. COMPOSITION

The Audit Committee is comprised of at least three directors, all of which are independent. All the members of the Committee are "financially literate" and have the ability to read and understand a set of financial statements.

The members of the Committee shall be elected by the board of directors at its first meeting following each annual shareholders’ meeting. Unless a Chairman is elected by the board of directors, the members of the Committee may designate a Chairman by a majority vote of all the Committee members.

The board of directors may remove a member from the audit committee at any time, at its discretion, by passing a resolution to this effect.

3. MEETINGS AND PROCEDURES

- 3.1 The Committee shall meet at least once annually or more frequently if required.

- 3.2 At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In the case of an equality of votes, the Chairman shall not be entitled to a second vote.
- 3.3 A quorum for meetings of the Committee shall be a majority of its members and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing meetings of the board of directors.

4- MANDATE AND DUTIES

4.1 The committee is responsible for reviewing and recommending for approval to the board of directors:

- a) The financial statements (annual and quarterly), management discussion and analysis or any other document related to the Corporation's financial results to be filed with regulatory bodies such as securities commissions, before they are filed or publicly disclosed ;
- b) Any document that contains or incorporates by way of reference the audited financial statements or unaudited quarterly results (such as a prospectus or press releases disclosing financial results) before they are publicly disclosed.

4.2 In carrying out its mandate, the committee must:

- a) Ensure that the appropriate internal control measures and procedures are put in place to permit the certification by the chief executive officer and the chief financial officer of the financial statements and of any other information document required by securities legislation.
- b) Recommend to the board of directors the external auditor to be appointed, assess the independence and performance of such auditor, and approve the audit fees and any other remuneration paid to the external auditor.
- c) Oversee relations between management and the external auditor, including reviewing of any letter of recommendation or any other report by the external auditor, and discussing any material difference of opinion or disagreement between management and the external auditor and ensuring that it is resolved.
- d) Meet periodically with the external auditors without management being present, to discuss the principal risks, the internal controls and any other measures taken by management to control such risks, and the accuracy and adequacy of the financial statements.
- e) Obtain annually from the external auditor a report on the quality of the internal control measures, and review such report.
- f) Review the external audit program and fees.

- g) Review the external auditors' report on the audited annual financial statements.
- h) Review any problems identified during the audit and, if appropriate, the limits and restrictions imposed by management and any material accounting matter for which management requests a second opinion.
- i) Review and approve any request for consulting services from the external auditors and stay informed of any request from management for non-audit services and the related fees.
- j) Review with management, the external auditors and legal council any claim, including income tax assessments that might have a material impact on the Corporation's financial position or results of operations, and ensure that these are disclosed in an appropriate manner.
- k) Review management's code of conduct and compliance with the corporate governance policy.
- l) Periodically review legal and regulatory requirements and the impact of any non-compliance with such requirements on the Corporation's financial reporting and reputation.
- m) Review with management the accuracy and timeliness of regulatory filings.
- n) Review annually the Corporation's insurance coverage to ensure adequate coverage of assets, including but not limited to director's liability insurance.

4.3 The committee reviews the audit committee charter annually and recommends to the board of directors any changes that it deems appropriate.