

# MONETA PORCUPINE MINES INC.

## 2008 ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

May 7, 2008

**TO BE HELD AT THE CAMBRIDGE CLUB, THE SHERATON CENTRE,  
11TH FLOOR, 100 RICHMOND STREET WEST, TORONTO, ONTARIO**

### MANAGEMENT INFORMATION CIRCULAR

As of April 4, 2008

### GENERAL INFORMATION

This Management Information Circular (the "Circular") is furnished in connection with the solicitation by and on behalf of the management of **MONETA PORCUPINE MINES INC.** (Moneta or the "Corporation") of proxies to be used at the 2008 Annual and Special Meeting of the holders of common shares ("Common Shares") of the Corporation (the "Meeting") to be held on Wednesday, May 7, 2008 at 4:30 p.m. at The Cambridge Club, The Sheraton Centre, 11th Floor, 100 Richmond Street West, Toronto, Ontario, or at any adjournment thereof, for the purposes set forth in the attached notice of meeting (the "Notice").

### PROXIES

#### Solicitation

It is expected that the solicitation of proxies will be primarily by mail. However, proxies may also be solicited by telephone, telefax or other electronic means of communication, or in person by directors, officers, agents or employees of the Corporation. The costs of solicitation will be borne by the Corporation.

In accordance with National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so.

#### Appointment of Proxies

**The persons named in the enclosed form of proxy are directors or officers of the Corporation and have indicated their willingness to represent, as proxy, the shareholder who appoints them. A shareholder submitting a proxy has the right to appoint a person (who need not be a shareholder of the Corporation) other than the persons designated in the form of proxy furnished herewith to represent the shareholder at the Meeting. To exercise this right, the shareholder should insert the name of the desired representative in the blank space provided in the form of proxy furnished herewith and strike out the names therein, or submit another valid proxy.**

Such proxy shall be in writing and under the hand of the shareholder or his attorney, or, if such shareholder is a company, under its corporate seal or signed by an officer or attorney thereof duly authorized.

A proxy should be mailed so as to reach or be deposited at the office of the Corporation:

Moneta Porcupine Mines Inc.  
65 Third Avenue  
Timmins, Ontario, P4N 1C2

not later than 4:30 p.m., Ontario time, on Tuesday, May 6, 2008. The Chairman of the Meeting may refuse to recognize any proxy received after said time.

### **Voting of Proxies**

The persons named in the enclosed form of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the shareholder appointing them. If said instructions are certain, the common shares represented will be voted on any ballot, and where a choice with respect to any matter to be acted upon is specified, the common shares will be voted on any ballot in accordance with such specifications. **In the absence of such direction, such common shares will be voted for the approval of each matter for which no specification has been made.**

**The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting. As of the date hereof, management of the Corporation is not aware of any such amendments, variations or other matters which may come before the Meeting. In the event that other matters come before the Meeting, management designees intend to vote in accordance with the judgment of the management of the Corporation.**

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing and deposited either at the registered office of the Corporation, 65 Third Avenue, Timmins, Ontario, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment thereof.

## **VOTING SHARES & PRINCIPAL HOLDERS THEREOF**

### **Beneficial Holders**

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

**Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions, Canada and USA ("Broadridge"). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

**A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

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

### **Registered Shareholders**

The Notice is being sent to all shareholders of record at the close of business on Friday, April 4, 2008. Before mailing of the Notice, Computershare Investor Services Inc., the Corporation's registrar and transfer agent, prepared a list of holders of Common Shares based on its records, as at the close of business on April 4, 2008. Only shareholders of record at the close of business on April 4, 2008, will be entitled to vote at the Meeting except to the extent that a person has transferred any Common Shares after that date and a new holder of such Common Shares establishes proper ownership and demands not later than five days before the Meeting to be included in the list of shareholders eligible to vote at the Meeting. Persons whose names are shown on said list, or who have demanded the inclusion of their names on said list, as set forth above, or to whom Common Shares are issued after preparation of said list but before the Meeting is held, may vote at the Meeting the Common Shares which are listed in their names, or in respect of which they have demanded their inclusion on said list, or which are issued to them after preparation of said list, as the case may be.

As of the date hereof, there are (i) 99,546,458 Common Shares issued and outstanding, each entitled to one vote at meetings of shareholders of the Corporation, (ii) 6,865,238 Common Shares issuable upon exercise of previously granted stock options at prices from 7 to 17.5 cents per share under the Corporation's Incentive Stock Option Plan, and (iii) 1,249,990 Common Shares issuable upon exercise of previously issued share purchase warrants at \$0.21.

The By-laws of the Corporation provide that at least two persons present in person or by proxy, being shareholders entitled to vote thereat or a duly appointed proxy holder or representative for a shareholder so entitled to vote at the Meeting, constitute a quorum for the Meeting in respect of holders of Common Shares.

Based on the Shareholders Register and to the best of the knowledge of the directors and officers of the Corporation, the following table sets forth particulars of the only persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, securities of the Corporation carrying more than 10% of the outstanding voting rights attached to voting securities of the Corporation as of the date hereof:

<u>Name</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares</u>
Mr. John Larche	10,885,055	10.9%

Mr. Larche is a director of the Corporation.

## **ELECTION OF DIRECTORS**

The Articles of the Corporation provide that the Board may consist of not less than three and not more than ten Directors to be elected annually. For this forthcoming year, it is proposed that the board of directors shall consist of six (6) members. The persons named below are the six nominees of management for election as directors. Each Director will hold office until the next Annual Meeting or until a successor is duly elected, unless his office is earlier vacated in accordance with the bylaws.

**Unless specifically instructed in the proxy to vote against or to withhold such vote, the persons designated in the accompanying form of proxy intend to vote for the election of the nominees whose names are set forth below. If any nominee is for any reason unable to serve (which management has no reason to believe to be the case) the persons named in the accompanying form of proxy reserve the right to vote for any other nominee in their discretion.**

The following table and notes thereto disclose the name of each person proposed to be nominated by management for election as a director, all other positions and offices which the Corporation and any significant affiliate thereof now held by him, his principal occupation or employment, the period or periods of service as a director of the Corporation, and the approximate number of shares of the Corporation beneficially owned by him or over which he exercises control or direction.

Proxies in favour of management of the Corporation will be voted FOR the election of proposed nominees in the absence of directions to the contrary from the shareholders appointing them.

<u>Name, Place of Residence and Position with Corporation</u>	<u>Principal Occupation</u>	<u>Period Served as a Director</u>	<u>Common Shares Beneficially Owned or Controlled</u>
MICHAEL COULSON <sup>(1)(2)</sup> London, England Director	Mining analyst and author	Since June 24, 2005	750,000
ALEX D. HENRY, C.A. <sup>(1)(2)</sup> Toronto, Ontario Director	Chartered Accountant and a Principal of Hampton Equity Management Inc., a real estate finance company	Since June 24, 2005	387,500
JOHN LARCHE Timmins, Ontario Director	Prospector	Since July 29, 1992	10,885,055

CHARLES PARSONS, ACA, FCA <sup>(1)(2)</sup> Brinkworth, Wiltshire, England Director	Chartered Accountant and Chief Executive Officer of EastWest Timber AS, an Estonian company with timber manufacturing capacity in Estonia and forest concessions in northwest Russia	June 14, 2004	205,000
KEVIN L. SNOOK, P.Eng. Niagara-on-the-Lake, Ontario President, Chief Executive Officer, Chief Financial Officer and Director	President, Chief Executive Officer and Chief Financial Officer of the Corporation	Since April 9, 1996	787,944
ROD WHYTE, BA, B.ECON MSI(DIP) <sup>(2)</sup> London, England Chairman and Director	Natural resources financier	Since July 6, 1994	3,486,207

(1) Member of the Audit Committee

(2) Independent Director

All directors, executive officers and insiders of the Corporation, as a group as at the date hereof, beneficially own, directly or indirectly, 16,501,706 Common Shares of the Corporation representing 16.5% of the total outstanding.

### **Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation is, or has been within the past ten years, a director or officer of any other issuer that, while that person was acting in such capacity, was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation for a period of more than 30 consecutive days or became a 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.

### **Penalties or Sanctions**

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **Personal Bankruptcies**

No director, officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, or a personal holding company of any such person has, within the past ten years, become 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 the assets of such person.

## **DIRECTORS' AND OFFICERS' REMUNERATION**

### **Directors' Compensation**

During the financial year ended December 31, 2007, the Corporation paid no cash compensation (including salaries, director's fees, commissions, bonuses paid for services rendered, and any compensation other than compensation for services rendered as Executive Officers as set forth below) to the directors in their capacity as directors except that the Corporation reimburses the out-of-pocket expenses of its directors incurred in connection with attendance at or participation in meetings of the board of directors.

Executive officers of the Corporation who also act as directors of the Corporation do not receive any additional compensation for acting as directors, other than as paid by the Corporation to such Executive Officers in their capacity as Executive Officers. See "Executive Compensation".

### **Executive Compensation**

Securities legislation requires the disclosure of compensation received by each "Executive Officer" of the Corporation for the three most recently completed financial years. "Executive Officer" is defined by legislation to mean: (i) each of the Chief Executive Officer and Chief Financial Officer of the Corporation, regardless of the amount of compensation received by that individual, (ii) each of the Corporation's three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, who were serving as Executive Officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000, and (iii) any additional individual for whom disclosure would have been provided under (ii) but for the fact that the individual was not serving as an Executive Officer of the Corporation at the end of the most recently completed financial year end of the Corporation.

"Executive Officer" is also defined by the legislation to mean (i) the chairman of the Corporation, (ii) a vice-chairman of the Corporation, (iii) the President of the Corporation, (iv) a vice-president of the Corporation in charge of a principal business unit, division or function, and (v) an officer of the issuer or any of its subsidiaries or any other person who performed a policy-making function in respect of the Corporation.

During the Corporation's most recently completed financial year, the Corporation had two Executive Officers, who are also directors. The aggregate cash compensation (including salaries, fees, directors fees, commissions, bonuses, and any other compensation) paid to Executive Officers (or corporations controlled by Executive Officers), in their capacity as Executive Officers, for the most recently completed financial year, was \$101,853. Of this amount, \$16,218 was accrued at December 31, 2007, but not paid.

## Summary Compensation Table

Name & Principal Position	Year	Annual Compensation			Long Term Compensation Awards and Payouts		
		Salary (\$)	Contracted Services (\$)	Other Annual Compensation (\$)	Securities Under Options Granted \$(1)	Restricted Shares or Restricted Share Units (\$)	LTIP Payouts (\$)
Rod Whyte							
Chairman	2005	N/A	55,000	N/A	40,000	N/A	N/A
	2006	N/A	25,000	N/A	29,000	N/A	N/A
	2007	N/A	41,853	N/A	---	N/A	N/A
Kevin L. Snook							
President and CEO							
	2005	N/A	12,000	N/A	40,000	N/A	N/A
	2006	N/A	60,000	N/A	12,750	N/A	N/A
	2007	N/A	60,000	N/A	---	N/A	N/A
John P. Larche (2)							
Director							
	2005	N/A	Nil	N/A	36,000	N/A	N/A
	2006	N/A	Nil	N/A	---	N/A	N/A
	2007	N/A	Nil	N/A	---	N/A	N/A

- (1) Market value of securities exercised at the date of exercise less the cost to exercise.  
(2) President and CEO from July 2004 to December 2005

### Other Compensation

Other than as set out herein, the Corporation did not pay any compensation to consultants, Executive Officers and directors during the last completed fiscal year.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness in the ordinary course of business, no director, proposed director, officer, nor any of their respective associates or affiliates is or has been indebted to the Corporation at any time during the last completed fiscal year.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein or as previously disclosed by the Corporation, the Corporation is not aware of any material transaction involving any informed person, proposed director, Executive Officer or any shareholder holding more than ten (10%) percent of the voting rights attached to the Common Shares of the Corporation or any associate or affiliates of any of the foregoing.

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

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

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

Other than as set forth in this Circular, no person who has been a director or Executive Officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing, has any material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors.

## **BOARD COMMITTEES**

The Board has two formal committees: The Audit Committee and the Compensation Committee.

### **Audit Committee**

The Audit Committee is composed of three Board members: Alex D. Henry, Charles Parsons and Michael Coulson. Mr. Coulson is the Chairman of the Audit Committee. The Audit Committee meets at least once annually and as required during the year.

The Committee’s charter provides that the Audit Committee is to be comprised of at least three (3) members of the board of directors, who shall meet the independence, experience and expertise requirements of applicable laws and regulations.

The mandate of the Audit Committee is to assist the Board in fulfilling its oversight responsibility relating to (i) the integrity of the Corporation’s financial statements and financial reporting process and the Corporation’s systems in internal accounting and financial controls; (ii) the annual independent audit of the Corporation’s financial statements, the engagement of the independent auditor and the evaluation of the independent auditor’s qualifications, independence and performance; (iii) policy, standards and guidelines for risk assessment and risk management; (iv) the compliance by the Corporation of legal and regulatory requirements, including the Corporation’s disclosure of controls and procedures; and (v) ensuring that the Corporation’s financial statements and financial reporting process complies with applicable laws and requirements.

### ***Composition of the Audit Committee***

Each of the members of the Audit Committee is independent and financially literate in that each has the ability to

read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that is generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

The audit committee is comprised as follows:

	<b>Independent</b>	<b>Financially Literate</b>	<b>Relevant Education and Experience</b>
Michael Coulson	Yes	Yes	Mr. Coulson has been engaged in equity research for the mining industry for over 30 years, in a variety of senior positions in London, England, and was Chairman of the (U.K.) Association of Mining Analysts from 2001 to 2004. He is currently a director of one other publicly listed company and is a member of its Audit Committee.
Alex Henry	Yes	Yes	Mr. Henry is a Chartered Accountant who was in public practice for eight years and has been a financial advisor for over 25 years. He has served on the audit committees of three public companies in the past.
Charles Parsons	Yes	Yes	Mr. Parsons is a Chartered Accountant and is presently Chief Executive Officer of Eastwest Timber AS and as such is responsible for the presentation of that company’s financial statements.

“Independence” and “financially literate” are defined by Multilateral Instrument 52-110 (“MI 52-110”).

***Relevant Education and Experience***

See table above on “Composition of the Audit Committee”.

***Audit Committee Oversight***

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the board of directors.

***Reliance on Certain Exemptions***

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of MI 52-110 - *De Minimis Non-audit Services*), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110.

***Pre-Approval Policies and Procedures***

Pursuant to requirements under the Committee’s charter, the Corporation has adopted specific policies and procedures for the engagement of non-audit services.

***External Auditor Service Fees (By Category)***

The approximate aggregate fees paid by the Corporation to the external auditors of the Corporation in each of the last two financial years for audit fees are described below:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2007	\$18,000	Nil	Nil	Nil
2006	\$15,000	Nil	Nil	Nil
2005	\$15,000	Nil	Nil	Nil

***Other***

This disclosure regarding the Committee is being provided in reliance on the exemption provided in Section 6.1 of MI 52-110.

**Compensation Committee**

The Compensation Committee is composed of three members at present: Rod Whyte, Michael Coulson and Charles Parsons. The Compensation Committee meets at least once annually and as required during the year. Mr. Whyte is Chairman of the Corporation and Chairman of the Compensation Committee.

The Corporation's compensation policy including has three basic components: (i) base salary and benefits, (ii) long-term incentives, and (iii) short-term incentives. These components are designed to attract and retain highly qualified people and to align their interests with those of the shareholders of the Corporation. The maximization of shareholder value is encouraged by making long-term equity incentives a major component of the compensation regime, particularly for Executive Officers. In determining long-term incentive compensation for the CEO and Executive Officers, the Compensation Committee is required to consider, among other factors, the Company's performance, relative stockholder return, the value of similar incentive awards to individuals at these positions at comparable companies and the awards given to the CEO and Executive Officers in past years.

The mandate of the Compensation Committee is:

1. Annually review and ratify policy and strategy for base salary, incentive compensation and long-term incentive compensation for senior management and help to ensure that the Corporation's compensation arrangements and senior personnel recruitment processes comply with applicable laws and requirements.
2. In consultation with the CEO, when required or desirable, review the talent development process within the Corporation to ensure it is managed effectively.
3. When and if appropriate, review and approve employment agreements, severance arrangements and change in control agreements and provisions.
4. Periodically conduct a review of the Committee's performance and assess the adequacy of its charter and recommend changes to the Board as required.
5. Regularly report to the Board on the Committee's activities.
6. Obtain advice and assistance, as required, from internal or external legal counsel, accounting and search firms, compensation specialists or other advisors, with the sole authority to retain, terminate and negotiate the terms and conditions of the assignment.

**CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 *Corporate Governance Guidelines and National Instrument 58-101 Disclosure of Corporate Governance Practices*, which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines 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 in accordance with Form 58-101F2, Corporate Governance Disclosure.

### **Board of Directors**

The Articles of the Corporation provide that the Board must consist of not less than three and not more than ten directors to be elected annually. Each director will hold office until the next Annual Meeting or until a successor is duly elected, unless his office is earlier vacated in accordance with the bylaws. From the date of the last annual meeting in June 2007 and as of the date hereof, the Board of Directors consists of six directors: Michael Coulson, Alex D. Henry, John Larche, Charles Parsons, Kevin L. Snook and Rod Whyte.

Four of the six directors are considered to be independent: Mr. Whyte, Mr. Parsons, Mr. Henry and Mr. Coulson, according to the definition of "independence" set out in MI 52-110 as it applies to the Board. Mr. Whyte is Chairman of the Corporation. Mr. Snook is President and Chief Executive Officer of the Corporation. He also serves as the Corporation's Chief Financial Officer on an interim basis. Mr. Larche is a related party to the Corporation as he holds more than 10% of the outstanding common shares as set forth above. The Board facilitates its exercise of independent supervision over management by having more than half of the Board members consist of individuals who are independent of the Corporation, as defined in MI 52-110.

Considering the size and resources of the Corporation, the Board has not developed formal job descriptions for the Chief Executive Officer and other officers of the Corporation and it has not deemed it necessary to segregate the duties of President and Chief Executive Officer at the present time. The Board receives periodic reports from management on the Corporation's progress.

Board members communicate on a regular basis with each other and with management and receive periodic updates on the Corporation's activities and progress. Accordingly, the Board believes there is sufficient on-going oversight of management.

### **Directorships**

The following directors of the Corporation are presently directors of the following other issuers that are reporting issuers, or the equivalent, in a Canadian jurisdiction or a foreign jurisdiction:

Kevin L. Snook	Geoinformatics Exploration Inc. (TSX Venture Exchange ("TSX-V"))
John Larche	Canadian Arrow Mines Limited, Tres-Or Resources Ltd. (TSX-V)
Michael Coulson	City Natural Resources High Yield Investment Trust PLC. (U.K.)
Rod Whyte	Augen Capital Corp. (TSX-V)

### **Orientation and Continuing Education**

The Corporation does not currently have any formal orientation and education programs for new directors due to the size of the board and the fact that changes in board membership have been infrequent.

### **Ethical Business Conduct**

The Board is developing a policy and code of ethics designed to reinforce the Corporation's commitment to the integrity of its financial information and which establishes procedures to assist employees help achieve that objective. The policy will confirm, among other things, that the Board is responsible under Canadian securities laws for the integrity of the financial reporting of the Corporation. The policy will also expressly provide that the integrity of the financial information of the Corporation is of paramount importance to the Audit Committee and to the Board. In addition, the management and decision making structure of the Corporation needs to closely align the senior

management of the Corporation to all material decision making. This provides for regular input to and reinforcement of the culture of ethical business conduct required by the Corporation's board and senior management in day to day business activities. Compliance with the policy will be monitored regularly by senior management and assessed at least annually by the Audit Committee as part of the annual audit process.

The Board supervises management and ensures that all officers act in the best interests of the Corporation. The Board approves all financial expenditures and financial commitments exceeding \$25,000 unless previously approved by way of written resolution. The Board considers its duty is to direct the Corporation towards achieving its published mission statement:

**"Moneta's corporate strategy is to develop an appropriate combination of (i) self-funded mineral exploration, and (ii) joint ventures with strong partners, in stable areas of proven mineralization in North America with the objective of establishing one or more producing mines and becoming a significant North American mining company".**

Considering the entrepreneurial nature of the Corporation's business, which is junior mining exploration, and its development and size, the Board has given management broad authority to investigate, negotiate and implement joint ventures and to develop sole-risk exploration in suitable mining exploration regions.

The Audit Committee of the Board reviews, reports and discusses risk areas with the Corporation's external auditors.

Considering the size of the Board and management group, and the tenure and experience of the current directors and officers, no formal succession plan has been adopted. Similarly, the Board does not have an existing formal policy for communications with shareholders and the public.

Formal reporting to the Board is made at regular Board meetings and informal reporting at other times as appropriate. The Corporation follows industry practices and securities regulations in reporting all material matters to regulatory authorities and the public by way of timely disclosure through press releases.

Considering the small size of the Corporation, the Board believes that the Corporation's current internal control and management information systems are adequate and sufficient for its purposes at the present time.

#### **Board Nominating Committee and Assessing Member Effectiveness**

Given the small size of the Board and the Corporation, the Board does not have a formal Nominating Committee. That function is addressed annually by the Board as a whole, prior to approval of the Management Information Circular. For similar reasons, the Board does not have a formal structure for assessing Board member effectiveness. This is done informally by the Compensation Committee. As all Board members have backgrounds and experience in the natural resources and mining exploration industries, the Board does not consider that a formal board orientation and education process is necessary at the present time. If it becomes necessary, a nomination committee will be created which in turn will confirm relevant criteria for suitable candidates including the independence of the individual, financial acumen and availability to devote sufficient time to the duties of the Board.

#### **Compensation**

In order to provide guidance and suitable analysis for the board on compensation matters, the Board has constituted a Compensation Committee ("Compensation Committee") as described above. The Charter of the Compensation Committee includes that it shall annually review and determine base salary, incentive compensation and long-term compensation for the Corporation's Chief Executive Officer, and report the Compensation Committee's determination to the Board.

Board members receive no compensation for their duties as members of the Board. The Board has determined that a

typical practice in the mining exploration industry is to compensate Board members by way of stock options, thereby recognizing contributions to the Corporation. All grants of stock options are recommended by the Compensation Committee.

Additional information pertaining to compensation can be found under the heading "Compensation Committee"

### **Other Board Committees and Board Size**

The only standing committees of the Board are the Audit Committee and the Compensation Committee. Given the size and state of development of the Corporation, a board of six members is considered to be adequate, appropriate and functional.

### **Outside Advisers**

The Board does not engage outside corporate advisers, as a matter of practice, given the resources and size of the Corporation. The Corporation retains Francis Yungwirth as corporate counsel and a consultant on a range of corporate and legal matters. Mr. Yungwirth was previously an officer and director of the Corporation. On an ad-hoc basis, and when deemed appropriate, the Board has secured and will likely continue to retain outside advisers for limited activities and functions.

## **NEW STOCK OPTION PLAN**

The Corporation had an incentive stock option plan (the "Old Plan") for the granting of incentive stock options to the officers, employees, consultants and directors of the Corporation. The Old Plan set out a fixed number of options to be granted thereunder, and such total was exhausted in 2007. Accordingly, it is proposed to adopt, approve and ratify a new Stock Option Plan (the "New Plan") which New Plan was adopted by the Board of Directors on December 6, 2007. The New Plan incorporates many aspects of revised rules of the Toronto Stock Exchange ("TSX") announced and declared in June 2006 as current Regulatory Policy. The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining and motivating the directors, officers, employees, consultants and others who will be contributing to the well-being and future growth of the Corporation and to closely align the personal interests of such persons to that of the shareholders.

Although the New Plan has been adopted by the Directors, no options may be exercised under it unless and until its constitution has been adopted and ratified by shareholders. The New Plan is a fixed plan which provides for the granting of up to 15 million stock options, in addition to those outstanding prior to the New Plan. The constitution of the New Plan is attached to this Management Circular as Schedule "A". A resolution will be proposed at the Meeting substantially in the following form:

**"Be it resolved as a special resolution of the shareholders of the Corporation that a new Stock Option Plan be adopted and ratified, in the form and content attached as Schedule "A", hereto, and that any Director or officer be authorized to do all acts necessary or desirable to effect the express intent of this resolution."**

## **SAMPLING AND ASSAYING**

The Corporation samples its drill cores by diamond-sawing the selected sample interval. Half of the sample is submitted for assay testing and half is retained for reference. All assaying is completed by independent Canadian assay laboratories using the fire-assay method. All quantities are reported in metric units of grams per metric tonne unless otherwise specified. To convert grams of gold per metric tonne into ounces of gold per short ton, divide the first measure by 34.285.

## **FINANCIAL STATEMENTS**

The audited financial statements of the Corporation for the year ended December 31, 2007, the auditors' report thereon and management's discussion and analysis will be tabled at the Meeting. A copy of the audited financial statements, the auditor's report thereon and management's discussion and analysis for the year ended December 31, 2007, are enclosed with this Management Information Circular.

## **APPOINTMENT OF AUDITORS**

An ordinary resolution will be proposed at the Meeting to appoint Sievert & Sawrantschuk LLP Chartered Accountants ("Sievert"), Toronto, as auditors of the Corporation for the fiscal year ending December 31, 2008, at remuneration to be fixed by the Board. Sievert were appointed as auditors of the Corporation in February, 2005, succeeding KPMG LLP, Chartered Accountants, who had been the Corporation's auditors since 1996.

## **OTHER MATTERS COMING BEFORE THE MEETING**

If any other matters properly come before the Meeting, proxies in favour of management of the Corporation will be voted in accordance with the best judgment of the persons voting them. Management knows of no other matters to come before the Meeting other than as set forth herein.

## **CERTIFICATE**

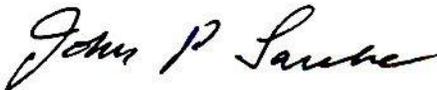
The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of circumstances in which it was made.

**DATED:** April 4, 2008

**BY ORDER OF THE BOARD OF DIRECTORS**



Kevin L. Snook  
Director, President and Chief Executive Officer



John Larche  
Director

**AGGREGATED OPTIONS EXERCISED IN LAST FISCAL YEAR  
AND FISCAL YEAR-END 2007 OPTION VALUES**

Name	Securities Acquired on Exercise	Aggregate Value Realized <sup>(1)</sup>	Options at Fiscal Year-End Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options at Fiscal Year-End <sup>(2)</sup> Exercisable/ Unexercisable
R. Whyte	200,000	\$ nil	2,099,054	\$ 302,189
J. Larche	100,000	nil	1,082,000	171,890
K. Snook	50,000	nil	1,287,000	187,125

(1) Market value at date of exercise less cost to exercise.

(2) Value of unexercised in-the-money options calculated using the closing price of the common shares of the Corporation on the Toronto Stock Exchange on December 31, 2007, less the exercise price of in-the-money stock options.